



**CAMSON BIO TECHNOLOGIES LIMITED**

**Annual Report  
2014 - 15**



## 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 2014-2015

**Boards and Committees**

**The Board of Directors**

Mr. Dharendra Kumar	Chairman & Managing Director
Mr. Akbal Narayan Singh	Director
Mr. Krishnaswamy Ramaswamy	Independent Director
Mr. Ballachanda Chengappa Madappa	Independent Director
Mr. Veerendra Kumar Singh	Director
Dr. Anurudh Kumar Singh	Independent Director
Mr. Gulshan Kumar Khanna	Independent Director
Ms. Gangwani Reeta Satish	Independent Director

**Other Key Managerial Personnel**

Mr. Santosh Ramakrishna Nair	CEO
Mr. Narendran Rabindranath	CFO

**The Board of Directors – Subsidiaries**

**Camson Agri Ventures Private Limited**

Mr. Rohit Satish Sareen	Director
Mr. Gulshan Kumar Khanna	Director
Mr. Dharendra Kumar	Director

**Camson Agro Products Private Limited**

Mr. Rohit Satish Sareen	Director
Mr. Dharendra Kumar	Director
Mr. Karan Singh	Director
Mr. Kundlik Tukaram More	Whole Time Director
Ms. Sangeeta Kundlik More	Whole Time Director

**Board Committees**

**Audit Committee**

Mr.B.C.Madappa	Chairman, Independent Director
Dr.Anurudh Kumar Singh	Member, Independent Director
Mr.Veerendra Kumar Singh	Member, Non Executive Director



**Annual Report 2014-2015**

**Nominations and Remuneration Committee**

Dr. Anurudh Kumar Singh	Chairman, Independent Director
Mr. Krishnaswamy Ramaswamy	Member, Independent Director
Mr. Akbal Narayan Singh	Member, Non-Executive Director

**Stakeholders' Relationship Committee**

Mr. Dhirendra Kumar	Member, Executive Director
Mr. Gulshan Kumar Khanna	Chairman, Independent Director
Mr. Veerendra Kumar Singh	Member, Non-Executive Director

**Corporate Social Responsibility Committee**

Mr. Dhirendra Kumar	Member, Managing Director
Dr. A.K. Singh	Chairman, Independent Director
Mr. Veerendra Kumar Singh	Member, Non Executive Director

**Registered Office**

Survey No.132, Madhure Hobli  
Madagondanahalli,  
Doddaballapur, Bangalore-561203,  
CIN: L85110KA1993PLC014944  
Tel: +91- 8119300000

**Corporate office**

C-7, 7th Floor, Corporate Block,  
Golden Enclave, Old Airport Road,  
Bangalore-560017  
Tel: +91-80-40768900  
Fax: +91-80-40768905

**Website:** [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com)  
**Email ID:** [info@camsonbiotechnologies.com](mailto:info@camsonbiotechnologies.com)

**Auditors**

Messrs B. K Khare & Co  
Chartered Accountants  
101, Money Chambers,  
1st Floor, #6 K.H Road,  
Shanti Nagar, Bangalore – 560027  
Tel:- 918041105357  
Fax: +91-22-22003476

**Registrar & Transfer Agents**

Integrated Enterprises (India) Ltd  
Registrar and share transfer Agents  
No.30, Ramana Residency,  
4th Cross, Sampige Road,  
Malleshwaram, Bangalore – 560023  
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





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**Message from the Chairman  
& Managing Director**

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## **Message from the Chairman & Managing Director**

**Dear Valued Shareholders,**

I hope this letter finds you in the best of times.

Your Company, having started with a vision to make the world environmentally safe and a disease-free society, has emerged stronger with each passing year and has created strong brand equity for itself in the industry. I am pleased to inform that the years of dedicated research and innovation, has helped the Company pioneer 'Zero-Residue' Bio-Agri inputs; developing a state-of-the-art proprietary technology platform. Camson's offerings have been revolutionary for the agriculture sector and the Company believes to be a part of the society's ongoing journey towards healthy living.

In recent times, the turbulence in the global economy has decreased and it is making a gradual recovery. As per the IMF's World Economic Outlook, global economy expanded at a modest rate of 3.4% during CY2014. Among, the developed economies, the US has been performing well and expected to grow by 4% in CY2014. However, most of the emerging and developing economies, except India, demonstrated a slowdown during the year.

In this backdrop, Indian economy has witnessed a recovery during FY2015, displaying a growth of 7.4% during the year, as compared to 6.9% in FY2014. During the year, Consumer Price Index (CPI) gradually declined and remained within desirable levels. This decline was primarily due to fall in global crude oil prices, food prices and on account of initiatives taken by the government to curb inflation. However, amidst the enthusiasm, agriculture sector failed to meet the expected growth rate of 4.0% during the year. Indian economy is largely thriving on agriculture and our country continues to face one of its formidable challenges of widening of food demand-supply gap and reducing soil fertility.

Indian agriculture is majorly dependent on the rainfall, which was just 88% of the historical average during the year; leading to tough times for the agri market and the Indian farming community. Your Company believes that in such tough times, agricultural biotechnology has a vital role to play and Camson is well positioned to serve the needs of the sector through its indigenously developed bio agri inputs and hybrid seed varieties. Agri biotechnology yields much better results than traditional techniques while maintaining the fertility and stability of the soil.

Furthermore, Indian agriculture sector has been quick in adopting biotechnology solutions, both at the ground level and at the government level. The state of Kerala had recently proposed switching to 100% organic farming by 2016. Given the importance of organic farming and the 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. The Company is positioned strongly to achieve scalability and superior business performance and deliver significant value to all its stakeholders.

FY2015 has been a year of continued transformation for the Company. Over the course of the year, we strengthened our presence across the North East states of India in particular Arunachal Pradesh, Assam and Sikkim. Camson's focus on providing its customers with a wide range of products has resulted in the requirement of a strong marketing and distribution network. The Company currently has a network of over 3,100 dealers of which over 200 are Platinum dealers. Camson continues its focus on adding Platinum dealers to its network and strives to build a flexible supply chain to ensure requisite delivery volumes in a timely and cost efficient manner.



As a sign of the underlying strength of our business, the Company recorded MOUs with three different farming communities, which are of strategic importance to the business in the long-run. FY2015 was the first year of operations for the institutional desk and what we have achieved in such a short period of time is remarkable. In addition to these being a testament to the Company's R&D capabilities, these MOUs also serve as a case study for other associations and government organizations. We expect the institutional business to provide a strong platform and add a new dimension to the overall growth of the Company. We are also in advance stages of discussion with a farmer's community in Abu Dhabi with regards to carrying out agri bio research for them.

Despite these operational achievements, last financial year has been challenging for the Company, on account of unfavourable rainfall conditions. Rainfall adversely impacted the farmers, not leaving much liquidity in their hands to drive the product sales.

Additionally, in line with the Company's core business strategy, Camson in FY2015 filed an application for the Scheme of Arrangement (Demerger) of seeds business to form a new entity 'Camson Seeds Limited' with the Honorable High Court of Karnataka. The Company has already received the observation letter from SEBI and BSE in this regard and the final approval from High Court of Karnataka will see the formal launch of a separate Seeds business entity. The demerged entity will undertake production and cultivation of quality seeds for enhancing farming in the country. Most dynamics of the seeds and biocides business had begun to differ, necessitating the need for the demerger. Also, the Company foresees a period of rapid growth for the Biocides business.

In context of the current domestic and international economic environment, Camson Bio Technologies remains cautiously optimistic for the near term prospects of the Agri Bio industry. We are confident that the long term dynamics of the Indian agriculture are very attractive. We, at Camson, are committed to leveraging the growth prospects in the domestic and global markets. Our strengths in the biocides and hybrid seeds business, backed by robust performance of CAV to reach out "Zero Residue" products to the consumers in India and internationally; will place your company in the vantage position to scale new heights. To further enhance our technology platform, we are strengthening our R&D team by adding more research scientists with significant knowledge in the field of microbial study. Also, with plans in the near future to expand internationally, the Company believes that we are very well placed to embark upon the next stage of growth and stakeholder value creation.

I am also proud to announce to my shareholders that your company has taken the initiative to contribute Re. 1/- from the sale proceed of every pack for the welfare of war widows and Re. 1/- will be contributed towards girl child education. This initiative will be routed through our NGO for CSR activities- SARTHI and the same will also be printed on the packs of our products.

I would like to put on record our sincere appreciation to all our employees, shareholders, customers, vendors, bankers and all stakeholders for their unwavering support that helped us meet industry standards and set new benchmarks. We look forward to a bright future of your Company in the year to come.

Best wishes,

**Dhirendra Kumar**  
**Chairman and Managing Director**  
**Chief Scientific Officer**



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## Notice

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Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of Camson Bio Technologies Limited will be held on Thursday, 24<sup>th</sup> day of September 2015 at 3 pm at Hotel Bhagini Palace, #210, 1st Main, A Cross, ESI Hospital Road, Domlur, 2nd Stage, Indiranagar, Bangalore – 560 071 to transact the following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2015 and Statement of Profit and Loss for the year ended on that date, the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Akbal Narayan Singh, (DIN: 00296396), who retires by rotation and being eligible, offers himself for re- appointment.
3. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 read with (Audit and Auditors Rules), 2014, (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Messrs B. K. Khare & Co. Chartered Accountants, Mumbai (Firm Registration number 105102W with the Institute of Chartered Accountants of India), who have offered themselves for re appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the third consecutive Annual General Meeting (up to the Financial Year ending 2018) of the Company on such remuneration as may be agreed upon by the Audit Committee / Board of Directors in consultation with the Auditors".

## **SPECIAL BUSINESS:**

4. To ratify the remuneration fixed by the Board of Directors to Messrs Murthy & Co. LLP, Cost Auditors appointed for the year 2015-16.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof,) the appointment of Messrs Murthy & Co. LLP, Cost Accountants, Bangalore, as Cost Auditors of the Company for conducting the Cost Audit of the accounts for the financial year ending 31<sup>st</sup> March, 2015 on a remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus applicable service tax and reimbursement of our-of-pocket, at actuals, be and is hereby ratified".

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 160 and any other applicable provisions of Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Santosh Nair be and is hereby appointed as a Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director".



6. To appoint Mr. Santosh Nair (DIN: 3597353) as a Whole Time Director and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to such sanctions as may be necessary, approval and sanction of the Company be and is hereby accorded to the appointment of and payment of remuneration to Mr. Santosh Nair (DIN: 03597353) as Whole Time Director of the Company for a period of 5 years with effect from the date of this AGM upon the terms and conditions and payment of remuneration and other perquisites / benefits to Mr. Santosh Nair during the said period of 5 years as set out in the copy of agreement, copy whereof duly initialed by the Chairman for the purpose of identification is placed before this meeting including, inter-alia, payment and provision of the following remuneration, perquisites and benefits :

The Remuneration (inclusive of all allowances and perquisites) shall not exceed Rs. 42,00,000/- (Forty Two Lakhs only) per annum which shall be divided as follows:

- (i) Basic pay Rs. 18,90,000/- per annum
- (ii) Perquisites:
  - (a) Housing: House Rent Allowance of Rs. 9,45,000/-
  - (b) Medical Reimbursement (Non Hospital): Expenses incurred for the Chief Executive Officer and his immediate dependant family are subject to a ceiling Rs. 15,000/- per annum
  - (c) Medical Insurance (Hospital): The Chief Executive Officer and his immediate dependant family to be covered under "Mediclaim Insurance Policy".
  - (d) Leave/Travel Allowance: Allowance will be granted once a year for the Chief Executive Officer and his family. A cost ceiling of one month's basic salary will apply which shall be Rs. 1,57,437/- per annum.
  - (e) Personal Accident insurance : Premium to be paid
  - (f) Contribution to Provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites.
  - (g) Gratuity not exceeding half a month's basic salary for each completed year of service.
  - (h) Conveyance and Telephone: Provisions of car for use on Company business and telephone at residence will not be considered as perquisites. The Chief Executive Officer will repay the Company the cost of any personal long distance calls on telephone. personal use of car to be considered as a perquisite.



- (i) Earned/Privilege leave: One full basic salary as per the rules of the Company but not more than one month's leave for every eleven months of service. If required, leave accumulated will be allowed to be encashed.
- (j) And other allowances of Rs. 11,83,203/- per annum.

FURTHER RESOLVED THAT the Board of Directors be and are hereby authorized to vary the terms and conditions of appointment of Mr. Santosh Nair as Whole Time Director, subject to the limits prescribed under the Schedule V of the Companies Act, 2013."

7. To appoint Mr. B.C.Madappa (DIN: 00296426) as an Independent Director and in this regard 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 read with schedule IV 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 re enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. B.C. Madappa (DIN: 00296426) who was reappointed as Independent Director at the Board Meeting held on February 12, 2015 (as recommended by Nomination & Remuneration Committee subject to approval of Shareholders, be and is hereby appointed as an Independent Director of the Company to hold office for 1 year with effect from February 12, 2015".

8. To appoint Mr. Krishnaswamy Ramaswamy (DIN: 00296319) as an Independent Director and in this regard 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 read with Schedule IV 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) and clause 49 of the Listing Agreement, Mr. Krishnaswamy Ramaswamy (DIN: 00296319 ) who was reappointed as Independent Director at the Board Meeting held on February 12, 2015 (as recommended by Nomination & Remuneration Committee subject to approval of Shareholders), be and is hereby appointed as an Independent Director of the Company to hold office for 1 year with effect from February 12, 2015".

9. To appoint Mr. Gulshan Kumar Khanna (DIN: 00323089) as an Independent Director and in this regard 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 read with Schedule IV 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) and clause 49 of the Listing Agreement, Mr Gulshan Kumar Khanna (DIN: 00323089) who was reappointed as Independent Director at the Board Meeting held on February 12, 2015 (as recommended by Nomination & Remuneration Committee subject to approval of Shareholders), be and is hereby appointed as an Independent Director of the Company to hold office for 1 year with effect from February 12, 2015".



10. To appoint Dr. Anurudh Kumar Singh (DIN: 02539344) as an Independent Director and in this regard 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 read with Schedule IV 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) and clause 49 of the Listing Agreement, Mr Anurudh Kumar Singh (DIN: 02539344 ) who was reappointed as Independent Director at the Board Meeting held on February 12, 2015 (as recommended by Nomination & Remuneration Committee subject to approval of Shareholders), be and is hereby appointed as an Independent Director of the Company to hold office for 1 year with effect from February 12, 2015".

11. To appoint Mr. B.C. Madappa (DIN: 00296426) as an Independent Director and in this regard to consider, if thought fit, and to pass, the following resolution as a Special Resolution:

"RESOLVED THAT 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 qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. B.C. Madappa (DIN: 00296426) who is liable to vacate his office as an Independent Director w.e.f. February 11, 2016 and, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to February 11, 2021.

RESOLVED FURTHER THAT the second term of five years shall commence immediately upon the cessation of first term (i.e., February 11, 2016)".

12. To appoint Mr. Krishnaswamy Ramaswamy (DIN: 00296319) as an Independent Director and in this regard to consider and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT 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 qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr.. Krishnaswamy Ramaswamy (DIN: 00296319) who is liable to vacate his office as an Independent Director w.e.f. February 11, 2016, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to February 11, 2021.

RESOLVED FURTHER THAT the second term of five years shall commence immediately upon the cessation of first term (i.e., February 11, 2016)".

13. To appoint Mr. Gulshan Kumar Khanna (DIN: 00323089) as an Independent Director and in this regard to consider and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV











- form) through depository participants. The Company has entered in to agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited.
12. 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. INE399CO1030. 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.
  13. In terms of Section 205A read with Section 205C of the Companies Act, 1956, the Dividend declared for the year ended 31st March, 2007 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.
  14. The notice of the Annual General Meeting along with the Annual Report 2014-15 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.
  15. To support the 'Green Initiative', the Members who have not registered their e-mail address are requested to register the same with Integrated Enterprises (India) Limited / Depositories.

**Voting through electronic means :**

Pursuant to the provisions of Section 108 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 21<sup>st</sup> Annual General Meeting to be held on Thursday 24<sup>th</sup> September 2015 at Hotel Bhagini Palace, #210, 1st Main, A Cross, ESI Hospital Road, Domlur, 2nd Stage, Indiranagar, Bangalore – 560 071 at 3.00 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:

**(A). The instructions for Shareholders voting electronically are as under:**

- (i) The voting period begins on September 21<sup>st</sup> 2015 (9 a.m) and ends on September 23<sup>rd</sup> 2015 (5 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) of September 16<sup>th</sup> 2015,



may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding Shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 Board recommends an Ordinary Resolutions set out in Item No. 5 to 8 of the Notice and Special Resolutions set out in Item No. 9 to 12 of the Notice for approval by the Shareholders. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details / brief profile of the concerned Directors are given below:

**(i). Mr. Akbal Narayan Singh**

Name of the Director	Mr. Akbal Narayan Singh
Date of Birth	2 <sup>nd</sup> January, 1932
Qualification	M.Sc in Agronomy
Experience	A Veteran in the field of Agriculture, a career spanning over 40 years, associated with the Government, International institutions and the Corporate Sector. He worked with Indian Council of Agricultural Research as a senior Research Assistant and Agronomist before joining the Ministry of Agriculture. He also worked with World Bank and Agricultural Finance Corporation Ltd
Shareholding in Camson Bio Technologies Limited as on March 31, 2015	1,18,500 Shares
Interest in Companies and nature of Interest: NA	

**(ii). Mr. B. C. Madappa**

Name of the Director	B.C. Madappa
Date of Birth	September 17 <sup>th</sup> 1953
Qualification	Bachelor Degree in Science
Experience	Mr. Madappa has over 30 years of experience in Media and allied industries. He was responsible for the creation and incubation of India's first professional PR firm and also India's first direct marketing firm in collaboration with Global Industrial leaders. Served as a country head for a leading advertising Company (Draft Worldwide). He is currently handling coffee plantation business
Shareholding in Camson Bio Technologies Limited as on March 31, 2015	NIL
Interest in Companies and nature of Interest: NA	

**(iii). Mr. Krishnaswamy Ramaswamy**

Name of the Director	Mr. Krishnaswamy Ramaswamy
Date of Birth	October 7 <sup>th</sup> 1943
Qualification	B.A. LL.B, CAIIB
Experience	A Veteran with over 40 years of experience in Banking and Finance Sectors. Experience in setting up banks from conceptualising to launch of commercial operations and leading performance turnarounds. After opting for premature retirement from SBI as Deputy General Manager, he headed various International Banking and Financial Institutions such as San Paola Hambro Finance, Exim Bank of Tanzania and Nepal Industrial and Commercial Bank and Union Finance, Nepal.
Shareholding in Camson Bio Technologies Limited as on March 31, 2015	NIL
Interest in Companies and nature of Interest: NA	

**(iv). Mr. Gulshan Kumar Khanna**

Name of the Director	Mr. Gulshan Kumar Khanna	
Date of Birth	April 6 <sup>th</sup> 1950	
Qualification	Qualified Engineer	
Experience	Mr. Gulshan Kumar Khanna has over 35 years of experience in Engineering and Project Management. He has held top position in various Multi National Engineering Companies	
Shareholding in Camson Bio Technologies Limited as on March 31, 2015	NIL	
Interest in Companies and nature of Interest:		
<b>SI No.</b>	<b>Name of the Company/Firms</b>	<b>Nature of Interest</b>
1	SOFCON HDOT ENGINEERS (INDIA) PRIVATE LIMITED	Director
2	MAXPRO ENGINEERS PRIVATE LIMITED	Managing Director
3	CAMSON AGRI-VENTURES PRIVATE LIMITED	Director

**(v). Dr. Anurudh Kumar Singh**

Name of the Director	Dr. Anurudh Kumar Singh	
Date of Birth	12 <sup>th</sup> July 1946	
Qualification	M.Sc in plant pathology and Ph.D in plant breeding	
Experience	More than 30 years of experience in Plant genetics and breeding. Worked as a National Gene bank curator and Head of the Germplasm conservation division at National Bureau of Plant Genetic resources (Indian Council of Agricultural Research). His Research Articles were published in reputed National and International Journals	
Shareholding in Camson Bio Technologies Limited as on March 31, 2015	NIL	
Interest in Companies and nature of Interest:		
<b>Sl No.</b>	<b>Name of the Company/Firms</b>	<b>Nature of Interest</b>
1	CAMSON SEEDS LIMITED	Director

**ITEMS NO. 5 & 6****APPOINTMENT OF MR. SANTOSH NAIR AS WHOLE-TIME DIRECTOR:**

Mr. Santosh Nair, who joined the Company in 2012 January as Chief Executive Officer is being inducted in to the Board. The Company is in the process of restructuring the Board and in the interest of the Company and considering his contribution as CEO; the Board of Directors felt his induction to the Board gives a new dimension and strategy.

The Terms & Conditions of Appointment were given in the Notice annexed to this Report.

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 a Director.

The Company has received notice in writing from a member along with the deposit of the requisite amount under section 160 of the Act proposing his candidature for the office of Director of the Company.

Other than the Director whose appointment is proposed and his relatives, none of the Directors, Key Managerial Personnel or their Relatives are concerned or interested in the proposed Resolution as set out in item no. 4 of this notice.

The Board recommends an Ordinary Resolution set out in Item No. 4 of the Notice for approval by the Shareholders.



Further the shareholders may note that Mr. Santosh Nair has been steering the business of the Company in the capacity of CEO for some time now. Considering the expansion mode, various initiatives and other requirements, based on the recommendation of Nomination and Remuneration Committee, your Board has recommended Mr. Santosh Nair as Whole-time Director as per the terms and conditions exhibited. Brief background of Mr. Santosh Nair is furnished below:

As required under Clause 49 of the Listing Agreement, the required information is made available to the Shareholders:

Name of the Director	Mr.Santosh Nair	
Date of Birth	9 <sup>th</sup> January 1969	
Qualification	Bachelor's Degree in Science and Masters degree in Financial Management from Narsee Monjee Institute of Management Studies, Mumbai University.	
Experience	Served for over 19 years with the Banking & Finance industry. Associated with Merrill Lynch as Director-Global Wealth Management Group and HDFC Bank as Head- Branch Banking, India.	
Shareholding in Camson Bio Technologies Limited as on March 31, 2015	NIL	
Interest in Companies and nature of Interest:		
<b>SI No.</b>	<b>Name of the Company/Firms</b>	<b>Nature of Interest</b>
1.	CAMSON SEEDS LIMITED	Director
2.	CAMSON FARM MANAGEMENT VENTURE LLP	Designated Partner

**ITEMS NO : 15 & 16:**

**APPOINTMENT OF MR. ANIL NATH AS INDEPENDENT DIRECTOR:**

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

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 Clause 49 of the Listing Agreement, it is proposed to appoint Mr. Anil Nath as Independent Director of the Company to hold office for 5 (five) consecutive years from the date of this AGM till the conclusion of 5<sup>th</sup> consecutive AGM in calendar year 2020.

Further 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 a Director.



The Company has received notice in writing from members along with the deposit of the requisite amount under Section 160 of the Act proposing his candidature for the office of Director of the Company.

The Company has also received declaration from him stating that he met with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Other than the Director and his relatives whose appointment is proposed, none of the Directors, Key Managerial Personnel or their Relatives are concerned or interested in the proposed Resolution as set out in item no. 13 of this notice.

The Board recommends an Ordinary Resolution set out in Item No. 13 of the Notice for approval by the Shareholders.

As per the requirement of Clause 49 of the Listing Agreement 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:

Name of the Director	Mr. Anil Nath
Date of Birth	24 <sup>th</sup> December 1952
Qualification	Bachelor of Commerce degree and has done his MBA from UBS, Chandigarh, his CAIIB from India Institute of Bankers and also holds a PG Diploma in Bank Management from NIBM, Pune
Experience	Associated with HDFC Bank since 1996 and has 38+ years experience in banking Service Industry
Share holding in Camson Bio Technologies Limited as on March 31, 2015	Nil
Interest in Companies and nature of Interest: N.A	

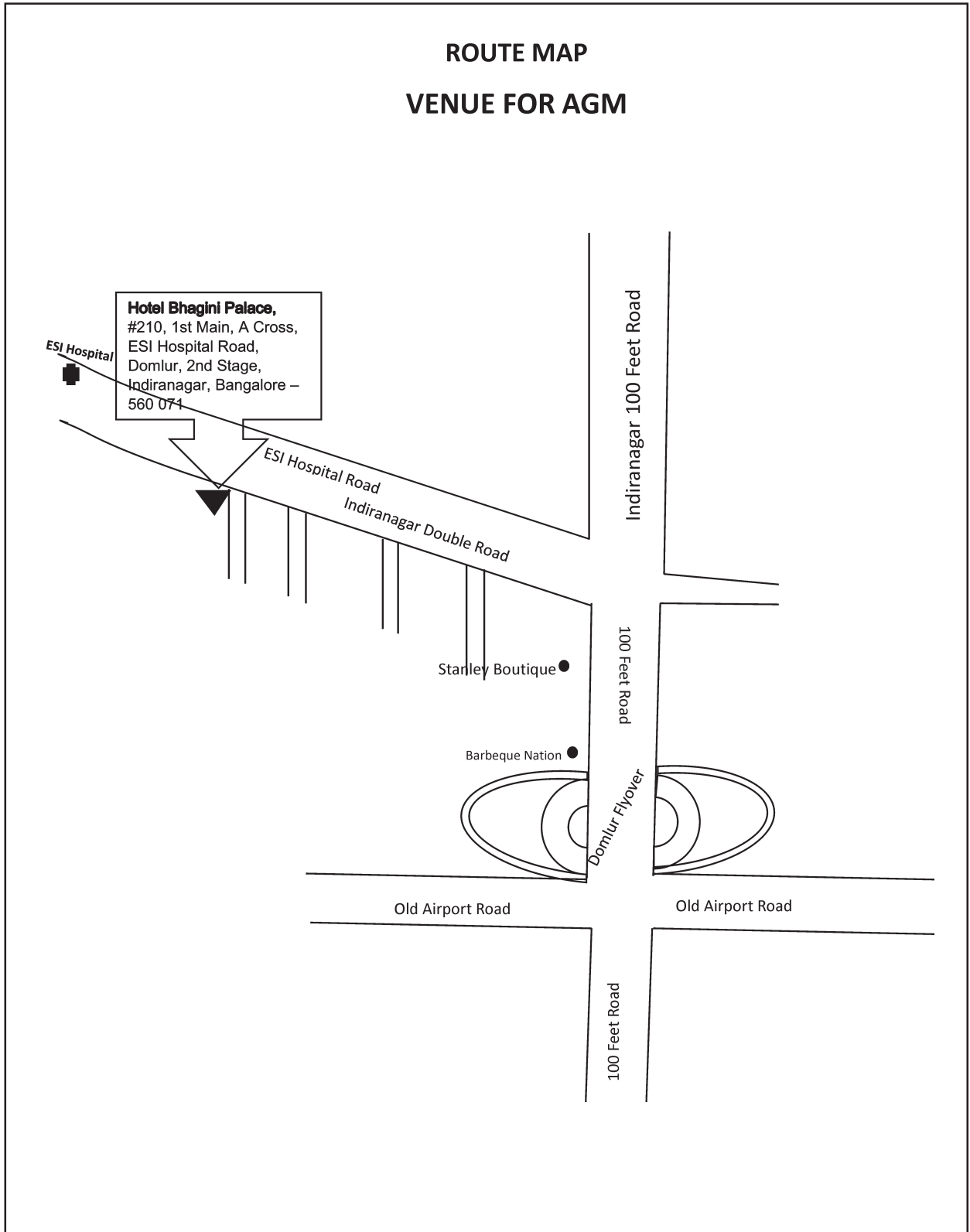
**ITEMS NO: 17:**

The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014 has amended Clause 49 (VII) of the Equity Listing Agreement with effect from October 1, 2014. Further, SEBI has also given the option to companies who wish to comply prior to October 1, 2014 to do so. Under the said amendment, all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the shareholders by a Special Resolution. The said amendment further provides definition of the term 'Material' as follows:





# ROUTE MAP VENUE FOR AGM







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## Board's Report

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**Dear Members,**

Your Directors take immense pleasure in presenting their 21<sup>st</sup> Annual Report on the business and operations together with the Audited Accounts of the Company for the year ended March 31, 2015.

**Corporate Overview:**

Camson Bio Technologies Limited ("Camson" or "CBTL") 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 farming products, which uses secondary metabolites (biological origin) of microbes to kill / inhibit pathogens, with no use of chemicals. CBTL has been recognized by Deloitte as one the fastest growing technology companies in 2015 and conferred the Technology Fast 500 award and awarded 'Leaders of Tomorrow Award by ET Now & Indiamart 2014-15. The Company has highly specialized R&D capabilities, having developed the 'Proprietary Technology Platform' for research with 4000+ microbial library and 60+ hybrid seeds varieties.

**Standalone Financial Results:**

<b>(Rs. in million)</b>	<b>FY 2015</b>	<b>FY 2014</b>
Net Sales	1,693.82	1,456.28
Profit before depreciation & taxation	184.51	213.46
Less: Depreciation	134.02	51.13
Less: Provision for taxation	19.66	(6.01)
Add: Prior period adjustment (Taxation)	0.00	0.00
Profit after tax	30.82	132.71
Balance brought forward from last year	798.44	695.24
Profit available for appropriation	829.26	827.95
Transfer to General Reserve	0	0
Proposed Dividend and tax thereon	(25.23)	25.23
Balance carried forward	849.73	798.44

**Financial and Operational Review:**

FY2015 was a challenging year for the bio-agri sector in India, marked by unfavourable weather conditions and subdued market demand. Despite the difficult operating environment, the Company registered a strong standalone Net Sales growth of 16.3%, which peaked to Rs. 1,694 mn in FY2015. Revenue contribution from the Agri Biotech (Biocides) business reached 35.4% of total standalone Net Sales during the year, in line with the management expectations and ongoing focus. The Company witnessed a significant increase in sales & marketing expense during the year, which were required to push the sales in the bad weather conditions. As a result, standalone EBITDA stood at Rs. 225.0 mn in FY2015, registering a decline of (10.61) % on a y-o-y basis.



On a consolidated basis, FY2015 Revenue witnessed an increase of 6.4% on y-o-y basis, to Rs. 2,030 mn. The increase was driven by the robust growth of 7.2% shown by the Agri Biotech business. FY2015 revenue contribution from the Agri Biotech segment increased from 22.5% in FY2014 to 29.7%.

Camson Bio Technologies' '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. During FY2015, CBTL launched Calterm Super EPN, a product based on a new age technology against harmful nematodes.

Camson's focus on providing its customers with a wide range of products has resulted in the requirement of a strong marketing and distribution network. The Company currently has a network of over 3,100 dealers of which over 200 are Platinum dealers. CBTL continues its focus on adding Platinum dealers to its network and strives to build a flexible supply chain to ensure requisite delivery volumes in a timely and cost efficient manner.

### **Dividend:**

The Company has a dividend policy that balances the dual objective of appropriately rewarding its shareholders and retaining capital to support future growth. In view of the rapidly ongoing growth activities, to further improve the capacity utilization and to consolidate the existing facilities, your Board has consciously and judiciously decided to retain profit for further growth requirements.

### **Share Capital:**

During the year under review, the Company has issued 4,774,327 Equity Shares of Rs. 10/- each to various investors on a preferential basis by way of conversion of warrants. As of March 31, 2015, 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. An amount of Rs. 3,08,23,295 is proposed to be retained in the statement of Profit & Loss.

### **Term Loan and Working Capital:**

Standalone Basis: As of March 31, 2015, the Company had total debt of Rs. 366.0 mn, Cash and Cash Equivalents were Rs. 10.3 mn resulting in Net Debt of Rs. 355.7 mn. Total Debt consists of Rs. 49.4 mn of Long Term loans and Rs. 316.9 mn of Working Capital loans inclusive of current portion of long term loans maturing within 12 months of the balance sheet date and Interest accrued but not due on borrowings & security deposit. As of March 31, 2015, Camson had a conservative leverage profile with Total Debt / Net Worth ratio of 0.14x and Net Debt / EBITDA of 1.58x.

Consolidated Basis: As of March 31, 2015, the Company had total debt of Rs. 456.62 mn, Cash and Cash Equivalents were Rs. 14.6 mn resulting in Net Debt of Rs. 442.02 mn. Total Debt consists of Rs. 72.56 mn of Long Term loans and Rs. 384.06 mn of Working Capital loans inclusive of current portion of long term loans maturing within 12 months of the balance sheet date and Interest accrued but not due on borrowings & security deposit.



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.

**Fixed Deposits:**

During the year under review, your Company has neither invited nor accepted any fixed deposits from the public within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (acceptance of Deposits) Rules, 2014.

**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. [Annexure A]

**Dematerialization:**

During the year, total number of outstanding shares increased by 4,774,327 to 29,999,840 as of March 31, 2015. During the year 6,300,053 shares of the Company were dematerialized. Around 78.74% of the shares of the Company have now been dematerialized as on March 31, 2015.

Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to facilitate trading of their shares and eliminate risks associated with physical shares. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.

**Internal Control Systems and their Adequacy:**

CBTL 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 Chairman and Managing Director.

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 is in the process of further strengthening the Internal Control Systems by adopting Standard Operating Procedures (SOP) and by delegating roles & responsibilities to various Department heads for effective implementation of the same. This is to ensure that the Company conducts its business with highest standards of statutory, legal and regulatory compliance.



## **Corporate Social Responsibility (CSR):**

Inclusive growth, social well being and a disease free society is at the heart of your Company's value system and an intrinsic part of our vision. These values have helped us empower communities and contribute significantly to the social development. Your Company believes that social empowerment and community development are the major business dynamics to influence the Company's growth and as such, as part of its CSR policy, the Company supports various initiatives to create a greener and safer world. As part of the CSR initiative, Camson has constituted a trust in the name of SARTHI (Sustainable Agricultural Rural Thrust Initiative) to undertake Corporate Social Responsibility activities.

In accordance with the section 135 of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee (the details of the same are exhibited in the Corporate Governance Report). The detailed CSR policy of the Company is uploaded on its website at <http://www.camsonbiotechnologies.com/investor/clause49compliances.htm>

However, for the Financial Year 2014-15, the Company's Net Profit after tax on Standalone basis was Rs. 3.08 Crores and based on net worth and turnover criteria also, the Company was not warranted to spend any monies on CSR activities. [Annexure B]

## **Conservation of Energy:**

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.

## **Technology Absorption:**

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 & Development activities are directed to achieve the aforesaid goal. The details of the same are annexed. [Annexure C]

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.

**Foreign Exchange Earnings and Outgo:**

CBTL 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, CBTL spent Rs. 18,24,240/- (Rupees Eighteen Lakhs Twenty Four Thousand Two Hundred Forty Only) in foreign exchange towards Directors' travel expenses and earn Rs. 614,697.85/- (Rupees Six Lakhs Fourteen Thousand Six Hundred Ninety Seven and Eight Five Paise Only) in foreign exchange towards Sale of Products.

**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 and stock options 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.

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels and there has been no loss of production at any of the Company's R&D/manufacturing facility due to industrial unrest. 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:

Sl. No.	Name of the person	Designation
1.	Dhirendra Kumar	Managing director
2.	Santosh Ramakrishna Nair	CEO
3.	Narendran Rabindranath	CFO
4.	Bhamidi Satya Krishna Sirish	Company Secretary

**Directors:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Akbal Narayan Singh, Non Executive Director retires by rotation and, being eligible, offers himself for re appointment. The Board recommends Mr. Akbal Narayan Singh for re-appointment.

Mr. B.C. Madappa was re-appointed as an Independent Director at the Board Meeting held on February 12, 2015 for a term of one year ending on February 11, 2016, subject to Shareholders' approval. The



Board proposes to elect him as an Independent Director for the next 5 years starting from February 12, 2016 to February 11, 2021.

Mr. Krishnaswamy Ramaswamy was re-appointed as an Independent Director at the Board Meeting held on February 12, 2015 for a term of one year ending on February 11, 2016, subject to Shareholders' approval. The Board proposes to elect him as an Independent Director for the next 5 years starting from February 12, 2016 to February 11, 2021.

Mr. Gulshan Kumar Khanna was re-appointed as an Independent Director at the Board Meeting held on February 12, 2015 for a term of one year ending on February 11, 2016, subject to Shareholders' approval. The Board proposes to elect him as an Independent Director for the next 5 years starting from February 12, 2016 to February 11, 2021.

Dr. Anurudh Kumar Singh was re-appointed as an Independent Director at the Board Meeting held on February 12, 2015 for a term of one year ending on February 11, 2016, subject to Shareholders' approval. The Board proposes to elect him as an Independent Director for the next 5 years starting from February 12, 2016 to February 11, 2021.

The Board proposes to induct Mr. Anil Nath as an Independent Director for a period of 5 years from the ensuing AGM, subject to Shareholders' approval.

Your Company had engaged the services of Mr. Santosh Nair, an independent professional with significant corporate management experience. He is currently engaged as the Chief Executive Officer of Camson. After considering various criteria and based on the recommendation from Nomination and Remuneration Committee, your Board recommends the induction of Mr. Santosh Nair into the Board and also as a Whole-time Director for a period of 5 years from the ensuing AGM, subject to the Shareholders' approval.

### **Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board for FY2015 will be carried out in FY2016 as per the comprehensive and structured questionnaire framed by Nomination & Remuneration committee. Your Board has initiated the process of performance evaluation of the Board 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. 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.

### **Remuneration Policy:**

The Remuneration Policy of Camson is aimed to attract, retain, reward and motivate talented individuals critical for achieving the long term strategic goals of the Company. CBTL'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 Company Secretary in advance.

**Board Meetings:**

A calendar of meetings is prepared and circulated in advance to the Directors.

During the year, 6 (Six) Board Meetings and 5 (Five) Audit Committee Meetings, 2 (Two) Compensation Committee Meetings, 1 (One) Nomination and Remuneration Committee Meeting and 1 (One) Share Transfer Committee Meeting were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Declaration of Independence is obtained from all the Independent Directors as required under the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement for the year under review.

**Training and Familiarization 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 stakeholders' expectations.

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors. The induction is aimed at familiarizing the new Board members about the Company's strategy, products and offerings, operations and facilities, economic environment, human resource, finance and technology. 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.

The details of the familiarization programme may be accessed on the Company's corporate website at <http://www.camsonbiotechnologies.com/investor/clause49compliances.htm>

**Statement on Declaration by Independent Directors:**

Pursuant to the requirements of 'Criteria of Independence' as laid down under Section 49 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.

**Directors' Responsibility Statement:**

In terms of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts on a going concern basis.
- v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**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 Company has developed a Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The details of related party transactions in the required format are annexed to this Report [Annexure D].

None of the Directors has any pecuniary relationship of transactions vis-à-vis the Company. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company at <http://www.camsonbiotechnologies.com/investor/clause49compliances.htm> .

**Subsidiary Companies:**

The Company has two subsidiaries namely Camson Agri-Ventures Private Limited (CAV) and Camson Agro Products Private Limited (CAP). The financial performance of the subsidiaries is annexed to this Report. Your Company continues to own two proprietorship concerns viz., Messrs Deccan Agro Exports and Messers Srushti Agro Exports based at Karad, Maharashtra; through CAP.

Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standard 21 issued by the



Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries. The Company will make available copies of the subsidiary financials upon request by any shareholder of the Company/ subsidiary interested in obtaining the same. These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

### **Change in Nature of the Business - Demerger of Seeds Business:**

During the year, the Company filed an application for the Scheme of Arrangement (Demerger) of the seeds business to form a new entity, namely Camson Seeds Limited, with the Honorable High Court of Karnataka, pursuant to a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 and in compliance with the applicable SEBI Circulars / Listing Agreement with the Stock Exchanges.

The Hon'ble. High Court of Karnataka has sanctioned the scheme on 31<sup>st</sup> July 2015. The company will see the formal launch of a separate Seeds business entity.

### **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 <http://www.camsonbiotechnologies.com/investor/clause49compliances.htm>

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 behaviour 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) & (10) of the Companies Act, 2013, Camson 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 responsibility. Camson believes in achieving its business goals solely through means that are ethical, transparent and accountable, and this principle forms the basis of our strong Vigil Mechanism.

The Vigil Mechanism or the Whistle Blower Policy has been uploaded on the website of the Company at <http://www.camsonbiotechnologies.com/investor/clause49compliances.htm>

### **Prevention of Insider Trading:**

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.

All the Directors and the designated employees have confirmed compliance with the Code. The Policy on 'Insider Trading and Code of Practices' is uploaded on the website of the Company at <http://www.camsonbiotechnologies.com/investor/clause49compliances.htm>

### **Auditor's Report for the Year Ended FY2015:**

The observations made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

### **Statutory Auditors:**

The Statutory Auditors B.K. Khare & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014.]

### **Secretarial Audit:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Camson has appointed Mr. Vijayakrishna K.T, a Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith [**Annexure E**].

### **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>
1.	<b>Meeting place and time of commencement were not mentioned in the Minutes.</b>	The Company will ensure inclusion Meeting place and time of commencement in the Minutes.
2.	<b>Meetings were conducted with video conference facility but the record of the video conference not maintained by the Company.</b>	Recordings were done. However, due to certain technical issues, the recordings were erased. Steps have been taken to protect the same.
3.	<b>There is one instance of non compliance under Section 185 of the Companies Act, 2013.</b>	The Company has advanced monies to its Subsidiaries to promote the business. Though the Company has advanced to newly incorporated Subsidiary.



Sl. No.	Qualifications made by Secretarial Auditor	Explanations by the Board
4.	<b>There is one instance of non compliance of Section 188 of the Companies Act, 2013 during the year.</b>	The Company requires agricultural land and Karnataka owning agricultural land by Corporate is not permitted as per law. Hence, the Company entered into arrangement with one of the Director who owns agricultural land and at arm's length, the agricultural land is being used for the agri related business of the Company. The Company has taken steps to take the approval of Shareholders.
5.	<b>Separate Sexual Harassment Committee does not include one external person as member.</b>	The Company will ensure inclusion of one external person as member.

### **Cost Auditors**

The Board has appointed Messrs Murthy & Co., LLP as the Cost auditor for the Financial Year 2015-16. The Ministry of Corporate Affairs has vide Gazette Notification GSR 01(E) dated 31st December, 2014 has mandated Cost Audit for both Regulated Sectors and Non-Regulated Sectors. The Company being a non-regulated industry is not coming under cost audit as the CETA code is not covered under the purview of Cost Audit. Though cost audit is not applicable for the Company, your Company has voluntarily taken the initiative to audit the cost records of the Company.

Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Members are requested to ratify the remuneration payable to Messrs Murthy & Co., LLP

### **Business Risk Management:**

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has constituted a Business Risk Management Committee, 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.

The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards' Report. 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 & 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 FY2015:

- No of complaints received : NIL
- No of complaints disposed off : NIL

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

The Honourable High Court of Karnataka has granted approval for the demerger scheme of the seeds division on 31<sup>st</sup> July 2015. This will pave way for the growth of the Seeds Division as a separate business entity.

### **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 F].

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

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexures, together with the Certificate from a practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

### **Employee Stock Option Scheme:**

Based on the approval accorded by the Shareholders, in principle approval for the Employee Stock Option Scheme – Employee Stock Option Plan 2012 of Camson Bio Technologies Limited exercisable into not more than 14,99,990 options has been obtained by the Company from the Stock Exchanges. The options are vested in the eligible employees as per the scheme with effect from February 12, 2016. Options are granted on February 12, 2015. There shall be a minimum gap of one year between date of grant and first vesting.

The Company implemented the Employee Stock Option Scheme in accordance with the SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999. The Compensation Committee has been constituted in accordance with the SEBI Guidelines and administers and monitors the ESOP Scheme. The applicable disclosures as stipulated under SEBI Guidelines as at 31<sup>st</sup> March, 2015 are given hereunder: -

- (i) Options Granted: 14,99,990 on February 12, 2015
- (ii) The Pricing Formula: Market Price of the Shares on the date of grant discounted by such rate as decided by the Board in consultation with Compensation Committee. (Previous day's Closing price was taken i.e., Closing Market Price of the Shares on February 11, 2015 was Rs.109.50/-)
- (iii) Exercise price: Rs.109 per Option



- (iv) Options vested: Nil
- (v) Options exercised: Nil
- (vi) Total number of shares arising as a result of exercise of option: Nil
- (vii) Options lapsed: Nil
- (viii) Variation of terms of options: NA
- (ix) Money realized by exercise of options: Nil
- (x) Total number of options in force: 14,99,990
- (xi) Employee wise details of options granted to: -
  - (a) Senior managerial personnel
    - (a.1) Chief Executive Officer: 2,99,998
    - (b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; All the options are granted at once. No employee has been granted options beyond 1% of the Issued and Paid-up capital as on the date of grant.
    - (c) Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: 2,99,998. Options equal to 1% of the Issued and Paid up capital were granted on February 12, 2015 to Chief Executive Officer, Mr. Santosh Nair.
- (xii) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']: NA
- (xiii) Where the Company has calculated the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.

$$\begin{aligned} \text{Intrinsic Value of the Options} &= \text{Market Price} - \text{Exercise Price} \\ &= \text{Rs. 109.50} - \text{Rs. 109} \\ &= 0.50 \text{ Paise} \end{aligned}$$

Fair value of the Options calculated as per **Black-Scholes Option Pricing Model with Dividends** is Rs.40.83/-.

Assuming one third of the options granted on February 12, 2015 (4,99,997) are fully exercised before the expiry of expected life of options (2 Years from the date of grant), the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be as under: -



**(i). Employee Compensation cost as per Intrinsic Value Method**

$$\begin{aligned} &= \text{No. of Options} * \text{Intrinsic Value} \\ &= 4,99,997 * 0.50 \text{ Paise} \\ &= \text{Rs. } 2,49,999/- \end{aligned}$$

**(ii). Employee Compensation cost as per Fair Value Method**

$$\begin{aligned} &= \text{No. of Options} * \text{Difference between Exercise Price and Fair value} \\ &= 4,99,997 * (109. - 40.83) \\ &= 4,99,997 * 68.17 \\ &= 3,40,84,795 \end{aligned}$$

**(iii). Difference in Employee Compensation cost**

$$\begin{aligned} &= (\text{Employee Compensation Cost as per Fair Value Method}) - (\text{Employee Compensation Cost as per Intrinsic Value Method}) \\ &= (3,40,84,795) - (2,49,999) \\ &= 3,38,34,796 \end{aligned}$$

Thus, if Option Pricing is computed using the Fair Value Method, it would lead to the highest Employee Compensation Cost, thereby impact the Profit & Loss statement substantially.

The Company has received a Certificate from the Auditors stating that "The Employee Stock Option Scheme / Plan has been implemented in accordance with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 and resolutions passed by the Shareholders. The certificate would be available at the Annual General Meeting for inspection by Members.

**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.

**For & On behalf of Board of Directors**

**Place: Bangalore**  
**Date: 12<sup>th</sup> August, 2015**

**Sd/-**  
**Dhirendra Kumar**  
**Chairman & Managing Director**  
**DIN: 00301372**

**ANNEXURE ‘A’****ANNEXURE RELATING TO LOANS, GUARANTEES  
OR  
INVESTMENTS UNDER SECTION 186:****(in Rs)**

	<b>ADVANCES</b>	
<b>Sl. NO</b>	<b>Subsidiary/Associate</b>	<b>Amount</b>
1	Advance for Investment to Camson Agri Venture Private Limited	60,000,000

**Guarantees and Security**

A corporate guarantee of Rs. 220,000,000/- (Rupees Twenty Two Crores) was given to Corporation Bank against the borrowing availed by Camson Agri-Ventures Private Limited.

**ANNEXURE ‘B’****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

The Board has constituted a Trust in the name of SARTHI (Sustainable Agricultural Rural Thrust Initiative) to undertake Corporate Social Responsibility activities and also has constituted a CSR Committee (the details of the same are exhibited in the Corporate Governance Report). The Company has a CSR Policy as well which has been uploaded in Company’s website.

However, for the Financial Year 2014-15, the Company’s Net Profit after tax on Standalone basis was Rs. 3.08 Crores and based on net worth and turnover criteria also, the Company was not warranted to spend any monies on CSR activities.

**ANNEXURE ‘C’****TECHNOLOGY ABSORPTION**

Particulars pursuant to the provisions of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

**(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.



**(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.

**Research and Development (R&D) Expenditure**

Incurred at R&D Center recognized by DSIR located at Doddaballapur

(Amount in Rs.)

<b>DSIR Revenue Expenses</b>	R&D Centre Doddaballapur 31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Research & Development Expenses (comprising clinical trial expenses, patent fees etc)	22,192,369	5,965,235
Employee Benefit Expenses	35,864,789	16,353,770
Lab Consumables	2,121,656	1,332,021
Professional Charges	263,327	20,140
Microbial Germplasm/ Breeder Seed Development	13,45,69,811	95,485,907
<b>Total Revenue Expenditure</b>	<b>19,50,11,952</b>	<b>119,157,073</b>
<b>DSIR Capital Expenditure</b>		
Plant & Machinery	2,614,736	1,424,850
Office Equipment	234,275	-
Product Development Cost	-	320,617,067
<b>Total Capital Expenditure</b>	<b>2,849,011</b>	<b>322,041,917</b>
Less: Sales proceeds (Income of R&D center)	-	-
<b>Total Revenue and Capital Expenditure</b>	<b>19,78,60,963</b>	<b>441,198,990</b>

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

During the year, CBTL spent Rs. 18,24,240/- (Rupees Eighteen Lakhs Twenty Four Thousand Two Hundred Forty only) in foreign exchange towards Directors' travel expenses and earn Rs. 614,697.85/- (Rupees Six Lakhs Fourteen Thousand Six Hundred Ninety Seven and Eight Five Paise only) in foreign exchange towards Sale of Products.

**For & On behalf of Board of Directors**

**Place: Bangalore**  
**Date: 12<sup>th</sup> August, 2015**

**Sd/-**  
**Dhirendra Kumar**  
**Chairman & Managing Director**  
**DIN: 00301372**

**ANNEXURE ‘D’****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 2014-15, 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
  - (a) **Name (s) of the related party and nature of relationship:** Company and Director
  - (b) **Nature of contracts/ arrangements/ transactions:** Leave and License Arrangement
  - (c) **Duration of the contracts/ arrangements/ transactions:** 99 Years
  - (d) **Salient terms of the contracts or arrangements or transactions including the value, if any:**  
A Leave and License agreement is executed between Camson Bio Technologies Limited (Licensee) and Mr. A.N.Singh, Non-Executive Director (Licensor) in respect of Land admeasuring 34 acres situated at Sy No.132, Madhurehobli, Madagondanahalli, Dodballapur, Nelamangala Road, Bangalore-561 203. The amount of Rs. 41,99,249/- (Rupees Forty One Lakhs Ninety Nine Thousand Two Hundred and Forty Nine only) is fixed as Annual License Fee.
  - (e) **Date (s) of approval by the Board:** May 28, 2014
  - (f) **Amount paid as advances if any:** The Consideration for the entire term of 99 years was already paid during the Financial Years 2011-2015. However, the same shall be apportioned equally over the entire Leave & License term.

**Other contracts/arrangements in the ordinary course of business and at Arm’s length basis**

<b>Name of related party</b>	<b>Nature of relationship</b>	<b>Salient Terms/Nature of the Contract</b>	<b>Amount in Rs</b>
Camson Agri-Ventures Pvt Ltd	Subsidiary	Sale of biocides product	3,387,411
Camson Agri-Ventures Pvt Ltd	Subsidiary	Sale of Seeds Product	(9,470)
Camson Agri-Ventures Pvt Ltd	Subsidiary	Reimbursement of Expenses/ Advances/ (recovery)	48,527,275/(6,653,581)
Camson Agro Products Pvt Ltd	Subsidiary	Reimbursement of expenses	272,022







I have also examined compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (came into effect from 1<sup>st</sup> July, 2015; hence not applicable for the financial year ended 31.03.2015).
- (ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE).

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non-material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

- a) *Meeting place and time of commencement were not mentioned in the Minutes.*
- b) *Meetings were conducted with video conference facility but the record of the video conference not maintained by the Company.*
- c) *There is one instance of non-compliance under Section 185 of the Companies Act, 2013.*
- d) *There is one instance of non-compliance of Section 188 of the Companies Act, 2013 during the year.*
- e) *Separate Sexual Harassment Committee does not include one external person as member.*

I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

### **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.

As per the information received from the Company Secretary, 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.



**ANNEXURE 'F'****Form No. MGT-9****EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March, 2015**

[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
- ii) Registration Date: November 19, 1993
- iii) Name of the Company: Camson Bio Technologies Limited
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered office and contact details :  
Sy No 132, Madhurehobli, Madagondanahalli, Dodballapur,  
Nelamangala Road, Bangalore - 561203
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent :  
Integrated Enterprises (India) 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	SEEDS	01137- Growing of vegetable seeds; 0164- Seed processing for propagation	40%
2	TRADING OF SEEDS	47737- Retail sale of seeds, fertilisers, pesticides, machinery equipments and hand tools	25%
3	AGRICULTURAL BIOTECH PRODUCTS		35%



**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	Subsidiary Company	65	2 (87)
2	Camson Agro Products Private Limited C 7, 7 <sup>th</sup> Floor, Corporate Block, Golden Enclave, Old Airport Road, Bangalore 560017	Subsidiary of Camson Agri Ventures Private Limited	51	2 (87)

**IV. SHARE HOLDING PATTERN**

(Equity Share Capital Breakup as percentage of Total Equity)

*i) Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Change % during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/HUF	2063180	-	2063180	8.18	2063180	-	2063180	6.88	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	990000	1800000	2790000	11.06	2790000	-	2790000	9.30	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	1785420	-	1785420	7.08	2485420	-	2485420	8.28	39.21
<b>Sub-total (A) (1):</b>	<b>4838600</b>	<b>1800000</b>	<b>6638600</b>	<b>26.32</b>	<b>7338600</b>		<b>7338600</b>	<b>24.46</b>	<b>10.54</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-





k) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>3) Total share holding of Promoter (A)=(A)(1) +(A)(2)</b>	<b>4838600</b>	<b>1800000</b>	<b>6638600</b>	<b>26.32</b>	<b>7338600</b>		<b>7338600</b>	<b>24.46</b>	<b>10.54</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	750000	-	750000	2.97	850000	-	850000	2.83	13.33
b) Banks / FI	-	-	-	-	4000	-	4000	0.01	0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	474885	4195513	4670398	18.51	629704	5869840	6499544	21.67	39.16
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	<b>1224885</b>	<b>4195513</b>	<b>5420398</b>	<b>21.49</b>	<b>1483704</b>	<b>5869840</b>	<b>7353544</b>	<b>24.51</b>	<b>35.66</b>
<b>2. Non Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	2534345	1396453	3930798	15.58	4787484	12300	4799784	16.00	22.11
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3356636	511758	3868394	15.34	3594360	495858	4090218	13.63	5.73
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3969668	-	3969668	15.74	5490657	-	5490657	18.30	38.32



c) Others (specify)	111228	-	111228	0.44	292962	-	292962	0.98	163.39
Clearing members									
Trust	6000	-	6000	0.02	6000	-	6000	0.02	0.00
NRI's	1280427	-	1280427	5.08	628075	-	628075	2.09	-50.95
<b>Sub-total (B)(2)</b>	<b>11258304</b>	<b>1908211</b>	<b>13166515</b>	<b>52.20</b>	<b>14799538</b>	<b>508158</b>	<b>15307696</b>	<b>51.03</b>	<b>16.26</b>
<b>Total Public Share holding (B)= (B)(1)+ (B)(2)</b>	<b>12483189</b>	<b>6103724</b>	<b>18586913</b>	<b>73.68</b>	<b>16283242</b>	<b>6377998</b>	<b>22661240</b>	<b>75.54</b>	<b>21.92</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>17321789</b>	<b>7903724</b>	<b>25225513</b>	<b>100.00</b>	<b>23621842</b>	<b>6377998</b>	<b>29999840</b>	<b>100.00</b>	<b>100.00</b>

**ii) Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			Change % during the year
	No. of Shares	% of Total shares of the Company	% of shares pledged/encumbered to total shares	% of Shares	% of Total shares of the Company	% of shares pledged/encumbered to total shares	
Dhirendra Kumar	19,44,680	7.71	0.00	19,44,680	6.48	0.00	
Akbal Narayan Singh	1,18,500	0.47	0.00	1,18,500	0.40	0.00	
Persons acting in concert							
Alka Singh	32,710	0.13	0.00	32,710	0.11	0.00	
Geeta Singh	7,92,710	3.14	0.00	7,92,710	2.64	0.00	
Karan Singh	8,50,000	3.37	0.00	8,50,000	2.83	0.00	
Veerendra Kumar Singh	1,10,000	0.44	0.00	1,10,000	0.37	0.00	
Reeya Singh	-	0.00	0.00	7,00,000	2.33	0.00	
M/s Shashtika Health resort & SPA Private Limited	27,90,000	11.06	0.00	27,90,000	9.30	0.00	
<b>Total</b>	<b>66,38,600</b>	<b>26.32</b>	<b>0.00</b>	<b>73,38,600</b>	<b>24.46</b>	<b>0.00</b>	<b>7.07</b>


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

Sl. No.		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
	At the beginning of the year	6638600	26.31	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	June 27, 2014 – 7,00,000 share warrants were converted and shares issued to Ms.Reeya Singh (Person forming part of Promoter group)	-	-	-
	At the End of the year			73,38,600	24.46

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Bio Harvest Pte. Ltd.	4195513	16.63	5869840	19.57
		1100000	4.36	1100000	3.67
2.	Silver Cross Marketing Pvt. Ltd.				
3.	Vinod Mohan Nair	900000	3.57	Nil	0
4.	SBI Magnum Comma Fund	750000	2.97	850000	2.83
5.	Ramakrishna Pilaka	540000	2.14	504000	1.68
6.	Avlokan Vinimay Pvt. Ltd.	535826	2.12	Nil	0
7.	Sudha K	500000	1.98	500000	1.67
8.	Niche Financial Servies Pvt. Ltd.	725000	2.87	800000	2.66
9.	Emerging India Focus Funds	360000	1.43	537114	1.79
10	Rajendra Y Shah	204999	0.81	200000	0.66


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

Sl. No.	For Each of the Top 10 Shareholders	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	7.70	1944680	6.48
2	A N Singh	118500	0.47	118500	0.39
3	V K Singh	110000	0.43	110000	0.36
4	A K Singh	0	0	0	0
5	B C Madappa	0	0	0	0
6	Gulshan Kumar Khanna	0	0	0	0
7	Krishnaswamy Ramaswamy	0	0	0	0
8	Santosh Nair	0	0	0	0
9	Narendran	0	0	0	0

**V. INDEBTEDNESS (Rs. In Lakhs)**

**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	3509.52	463.80	-	3973.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	20.43	-	-	20.43
<b>Total (i+ii+iii)</b>	<b>3529.95</b>	<b>463.80</b>	<b>-</b>	<b>3993.75</b>
<b>Change in Indebtedness during the financial year</b>				
Addition		9.85		
Reduction	313.21			303.36
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3199.03	473.65	-	3672.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	17.71	-	-	17.71
<b>Total (i+ii+iii)</b>	<b>3216.74</b>	<b>473.65</b>	<b>-</b>	<b>3690.39</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director for the FY 2014-15**

Sl. No.	Particulars of Remuneration	NAME OF MD – Mr. Dharendra Kumar Total Amount 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	8,400,000
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify...	Nil
5.	Others, please specify	Nil
6.	Total (A)	8,400,000

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

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

Particulars	Mr. B.C. Madappa	Mr. G K Khanna	Mr.K. Ramaswamy	Dr.A.K.Singh	Ms. Reeta Gangwani
Sitting Fee*	4371	3248	4371	4371	3371
Conveyance	16000	12000	17000	17540	12000
Commission	Nil	Nil	Nil	Nil	Nil
Total	20371	15248	21371	21911	15371

- The Sitting Fee component includes Service Tax and TDS
- Commission of Rs. **469,731** / - to Mr.Veerendra Kumar Singh, Non-Executive Director was paid during the Financial Year 2014-15

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (In Rs)**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41,83,500	313,616	1,386,830	5,883,946
	(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				
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission- as % of profit- others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
<b>6.</b>	<b>Total</b>	<b>41,83,500</b>	<b>313,616</b>	<b>1,386,830</b>	<b>5,883,946</b>

**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.



**ANNEXURE G**

**RATIO OF REMUNERATION OF EACH DIRECTOR**

<p>(i) The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year;</p>	<p>Managing Director- 47.92 Non-Executive Director- 2.68 <u>Independent Directors:</u> Mr. B.C. Madappa- 0.12 Mr. G.K. Khanna- 0.09 Mr. K. Ramaswamy- 0.12 Dr. A.K. Singh- 0.12 Ms. Reeta Gangwani- 0.09 (Median Remuneration of Employees- Rs. 1.75 Lakhs)</p>
<p>(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;</p>	<p>Chief Financial Officer- 46.56% Company Secretary- 34.57%</p>
<p>(iii) The percentage increase/(Decrease) in the median remuneration of employees in the Financial Year;</p>	<p>(13%)</p>
<p>(iv) The number of permanent employees on the rolls of Company;</p>	<p>289</p>
<p>(v) The explanation on the relationship between average increase in remuneration and company performance;</p>	<p>The Profit before Tax decreased by 60 % and there is a decrease in median remuneration was 13%. The average decrease in median remuneration was in line with company.</p>
<p>(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;</p>	<p>The total remuneration of Key Managerial Personnel increased by 5% from Rs. 1.36 Crore in 2013-14 to Rs. 1.43 crore in 2014-15 whereas the Profit before Tax decreased by 60% to Rs. 50,478,859 (Rs. 126,702,439 in 2013-14).</p>
<p>(vii) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current Financial Year and previous Financial Year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at</p>	<ul style="list-style-type: none"> <li>● The market capitalization as on March 31, 2015 was Rs. 280.8 crore (Rs. 150.7 crore as on March 31, 2014)</li> <li>● Price Earning ratio of the Company was 87.16 as at March 31, 2015 and 10.44 as at March 31, 2014.</li> </ul>



<p>which the Company came out with the last Public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current Financial Year and previous Financial Year;</p>	<ul style="list-style-type: none"><li>• % increase over/ decrease in market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year - The Company had come out with the initial public offer (IPO) in 1995. An amount of Rs. 10 invested in the said IPO worth Rs. 93.6 as on March 31, 2015 indication a Compounded Annual Growth Rate of 41.8%. This is excluding the dividend accrued thereon.</li></ul>
<p>(viii) 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;</p>	<p>60%</p> <p>whereas increase in the managerial remuneration for the same financial year was 5%.</p>
<p>(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company</p>	<p>The total remuneration of Key Managerial Personnel increased by 5% from Rs. 1.36 Crore in 2013-14 to Rs. 1.43 crore in 2014-15 whereas the Profit before Tax decreased by 60% to Rs. 50,478,859 (Rs. 126,702,439 in 2013-14).</p>
<p>(x) The key parameters for any variable component of remuneration availed by the Directors;</p>	<p>Considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.</p>
<p>(xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year;</p>	<p>NIL</p>
<p>(xii) Affirmation that the remuneration is as per the remuneration policy of the Company.</p>	<p>Yes</p>



**ANNEXURE ‘H’****FINANCIAL PERFORMANCE OF THE SUBSIDIARIES****Form AOC-I**

(Pursuant to first proviso to sub-Section (3) of Section 129 read with Rule 5 of Companies  
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries/  
Associate Companies/ Joint Ventures**

(Amount in Rs)

<b>Name of the subsidiary</b>	<b>CAMSON AGRI VENTURES PRIVATE LIMITED(CAV)</b>	<b>CAMSON AGRO PRODUCTS PRIVATE LIMITED(CAP)</b>
Share capital	1,00,000	91,536,740
Reserves & surplus	(6,268,835)	(15,493,579)
Total assets	200,313,030	189,485,929
Total Liabilities	200,313,030	189,485,929
Investments	46,734,640	-
Turnover	295,681,679	45,238,625
Profit Before taxation	(13,889,844)	(15,444,315)
Provision for taxation	131,697	-
Profit After Taxation	(14,021,541)	(15,444,315)
Proposed Dividend	Nil	Nil
% of shareholding	65	51*
<ul style="list-style-type: none"> <li>• CAP is a subsidiary of CAV which holds 51%.</li> </ul>		



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**CORPORATE  
GOVERNANCE REPORT**

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**CORPORATE GOVERNANCE REPORT**

Camson believes that Corporate Governance is about commitment to values and ethical business conduct. Your Company has fulfilled all the existing guidelines under clause 49 of the Listing Agreement.

**BOARD OF DIRECTORS:****Composition, Category of Directors and their other directorship as on June 30, 2015.**

The composition of the Board is in compliance with Clause 49 of the Listing Agreement and Companies Act, 2013. The Board comprises of 1 Executive Director and 7 Non Executive Directors.

SL. NO.	NAME OF THE DIRECTOR	CATEGORY OF DIRECTORSHIP	NO. OF DIRECTORSHIP IN OTHER PUBLIC & PRIVATE LIMITED COMPANIES
1	Mr. Dharendra Kumar	Executive & Managing Director	4
2	Mr. A.N.Singh	Non Executive & Non Independent	Nil
3	Mr. Veerendra Kumar Singh	Non Executive & Non Independent	1
4	Mr. Krishnaswamy Ramaswamy	Non Executive & Independent	Nil
5	Mr. B.C.Madappa	Non Executive & Independent	Nil
6	Dr. Anurudh Kumar Singh	Non Executive & Independent	1
7	Mr. Gulshan Kumar Khanna	Non Executive & Independent	3
8	Ms. Reeta Gangwani	Non Executive & Independent	Nil

**(b) Number of Board Meetings**

During the year ended March 31, 2015, six (6) Board Meetings were held on May 28<sup>th</sup>, 2014, August 13<sup>th</sup>, 2014, September 24<sup>th</sup>, 2014, November 13<sup>th</sup> 2014, February 12<sup>th</sup> 2015, March 10<sup>th</sup> 2015. 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	6	Yes
2	Mr. A.N.Singh	5	Yes
3	Mr. Veerendra Kumar Singh	6	Yes
4	Mr. Krishnaswamy Ramaswamy	4	Yes



5	Mr. B.C.Madappa	3	No
6	Dr. Anurudh Kumar Singh	5	No
7	Mr. Gulshan Kumar Khanna	3	Yes
8	Ms. Reeta Gangwani*	2	No

\* Appointed as Independent Director on 24<sup>th</sup> September, 2014.

## **COMMITTEES OF THE BOARD**

### **(A) Audit Committee**

#### **(i) Terms of Reference:**

Apart from all the matters provided in clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, the Audit Committee reviews reports of the Internal Auditor.

#### **(ii). Composition:**

The Audit Committee consists of two Independent Directors and one Non Executive Director. The Committee met 5 times during the year under review on May 28<sup>th</sup> 2014, August 13<sup>th</sup> 2014, September 24<sup>th</sup> 2014, November 13<sup>th</sup> 2014 and February 12<sup>th</sup> 2015. Number of meetings attended by each member is given hereunder:

<b>Sl. NO</b>	<b>NAME OF THE MEMBER</b>	<b>DESIGNATION</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
1	Mr.B.C.Madappa	Chairman, Independent Director	3
2	Dr.Anurudh Kumar Singh	Member, Independent Director	5
3	Mr.Veerendra Kumar Singh	Member, Non Executive Director	5

### **(B) Nomination & Remuneration Committee**

The Committee was constituted in the name of Remuneration Committee earlier (before the commencement of Companies Act, 2013 and revised Listing Agreement) and the name of the Committee was changed to Nomination & Remuneration Committee.

The Committee has formulated criteria for the appointment of Independent Directors 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 February 12, 2015. The details of the same are as under:



Sl. NO	NAME OF THE MEMBER	DESIGNATION	WHETHER ATTENDED THE MEETING
1	Dr. Anurudh Kumar Singh	Chairman, Independent Director	Yes
2	Mr.Krishnaswamy Ramaswamy	Member, Independent Director	No
3	Mr.Akbal Narayan Singh	Member, Non Executive Director	Yes

**DETAILS OF REMUNERATION****(a). Executive Directors**

The details of remuneration for the year ended March 31, 2015 are as follows:

Sl. NO	NAME OF THE DIRECTOR	DESIGNATION	REMUNERATION (Rs)
1	Mr. Dharendra Kumar	Managing Director	84,18,368

**(b). Non Executive Directors**

The Company has paid sitting fee of Rs.5,000/- per meeting to Non Executive Directors. The sitting fee paid (including conveyance) for the Financial Year 2014-15 is Rs. 87,732/- (inclusive of Service tax and TDS).

**POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

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



1. Qualification, expertise and experience of the Directors in their respective fields;
2. Personal, Professional or business standing;
3. 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.

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

The policy adopted by N & R Committee allows payments to Non Executive Directors in such a way to attract motivate and retain Directors of quality and ability. The policy determining criteria for making payments to Non Executive Directors is uploaded in Company’s website under the following link:

[http://www.camsonbiotechnologies.com/pdf/Criteria for making payment to NEDs.pdf](http://www.camsonbiotechnologies.com/pdf/Criteria_for_making_payment_to_NEDs.pdf)

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

During the year under review, the Stakeholders’ Relationship Committee which also acts as Share Transfer Committee met once on June 27, 2014. The composition of the Committee and attendance is given hereunder:

Sl. NO	NAME OF THE MEMBER	DESIGNATION	WHETHER ATTENDED THE MEETING
1	Mr.Gulshan Kumar Khanna	Chairman, Independent Director	Yes
2	Mr.Veerendra Kumar Singh	Member, Non Executive Director	No
3	Mr.Dhirendra Kumar	Member, Executive Director	Yes

During the year 2014-15, 1 complaint was received from shareholders. The complaint was resolved to the satisfaction of the complainant. The Company obtains Investor complaints status on Quarterly basis from Registrar & Share Transfer Agent.

**(D). CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

As required under Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee on May 28, 2014 consisting of the following members:

Sl.No	NAME OF THE MEMBER	DESIGNATION
1	Dr. A.K.Singh	Chairman, Independent Director
2	Mr.Veerendra Kumar Singh	Member, Non Executive Director
3	Mr. Dhirendra Kumar	Member, Managing Director

**(E). FAMILIARIZATION PROGRAMME & MEETING OF INDEPENDENT DIRECTORS**

Pursuant to the provisions of Clause 49 of the Listing Agreement, Company has conducted Familiarization programme to its Independent Directors. The details of the same are uploaded in Company’s website under the following link [http://www.camsonbiotechnologies.com/pdf/Familiarization Programme march15.pdf](http://www.camsonbiotechnologies.com/pdf/Familiarization_Programme_march15.pdf)



**MEETING OF INDEPENDENT DIRECTORS**

An exclusive meeting of Independent Directors was held on March 18, 2015 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 except Mr. Gulshan Kumar Khanna were present at the said meeting.

The Performance evaluation of the Board for the financial year 2014-15 will be carried out in the Financial Year 2015-16 as per the Questionnaire framed by Nomination & Remuneration committee. As on March 31<sup>st</sup> 2015, no such evaluation was carried out. However, the criteria / parameters of the same were discussed at length at the aforementioned meeting

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.

**(F). REVISED CLAUSE 49 COMPLIANCES**

The Company has complied with revised Clause 49 requirements effective October 1, 2014. Following are the various compliances:

1. Code of Conduct
2. Corporate Social Responsibility Policy
3. Related Party Transactions policy
4. Policy on materiality of Related Party Transactions
5. Whistle Blower Policy
6. Terms & Conditions of Appointment of Independent Directors
7. Familiarization programmes & Meeting of Independent Directors

The detailed policies as required under Clause 49 of the Listing Agreement are uploaded on Company’s website under the following link:

<http://www.camsonbiotechnologies.com/investor/clause49compliances.htm>

**(G). SHAREHOLDERS****(i). 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 “Hosa Diganta”. The results are also promptly forwarded to Stock Exchanges in which the shares of the Company are listed and traded and simultaneously uploaded on the Company’s website – [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com). The website also displays all official news releases / Updates issued by the Company, from time to time.

**GENERAL SHAREHOLDER INFORMATION:****1. Details of the Last Three Annual General Meetings:**

<b>Date</b>	<b>Venue</b>	<b>Time</b>
24.09.2014	Sree Nandhini Palace No 4034, 100 Feet Road, HAL 2 <sup>nd</sup> Stage, Indiranagar, Bangalore – 560 038	03.00 p.m
27.09.2013	Woody’s Gayathri Hall, Woodlands Hotel, No. 5, Rajaram Mohan Roy Road, Near Richmond Circle, Bangalore- 560 025	03.00 p.m
28.09.2012	Hotel Bhagini Palace, #210, 1st Main, A Cross, ESI Hospital Road, Domlur, 2nd Stage, Indiranagar, Bangalore – 560 071	10.00 a.m

**ENSUING ANNUAL GENERAL MEETING:****21<sup>st</sup> Annual General Meeting: September 24, 2015**

<u>Venue:</u>	Hotel Bhagini Palace, #210, 1st Main, A Cross, ESI Hospital Road, Domlur, 2nd Stage, Indiranagar, Bangalore – 560 071	03.00 p.m
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The Equity Shares of the Company are listed on Bombay Stock Exchange Limited.

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

The Company has also paid the Annual Custodial fee for the year 2014-15 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>
NSDL & CDSL	INE 845 E01012

<b>Registrar and Share Transfer Agent</b>	: Integrated Enterprises (India) Ltd
<b>Date of Book Closure</b>	: September 17 <sup>th</sup> 2015 to September 24 <sup>th</sup> 2015
Scrip Code	: 538858
Scrip Id	: CAMSONBIO
Group / Index	: D





**2. Special Resolutions passed in the last 3 AGMs**

**(a) 24<sup>th</sup> September, 2014**

- (i) Modification of Employee Stock Option Plan – 2012
- (ii) Alteration of Articles of Association

**(b) 27<sup>th</sup> September, 2013**

- (i) Alteration of Capital Clause in Memorandum of Association
- (ii) Modification of Employee Stock Option Plan – 2012

**(c) 28<sup>th</sup> September, 2012**

Approval of Employee Stock Option Plan (ESOP – 2012)

**Whistle Blower Policy**

The Company has adopted whistle blower policy and during the year under review no individual / employee has denied access to the Audit committee.

**Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of clause 49**

The Company has complied with all the mandatory requirements as per clause 49 of the Listing Agreement and adopted the following non mandatory requirements:

- (a). Management Committee – To look after the operations of each Department of the Company
- (b). Research & Development (R & D) Committee – A Voluntary initiative of the Company for strengthening R & D.

**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 March 31, 2015

**Plant Locations**

- (a). The Company's Research & Development facilities are located at the below mentioned address which is also the Registered Office of the Company

Sy No. 132, Madhurehobli  
Madagondanahalli, Nelamangala Road  
Dodballapur, Bangalore – 561 203

- (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 Enterprises (India) 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, 2014 to 31<sup>st</sup> March, 2015 are given below

Month	Open price	High Price	Low Price	Close price	No. of Shares	No. of Trades	Total (Rs.) Turnover	*Spread (Rs.)	
								H-L	C-O
Apr - 14	56.85	68.90	55.90	58.50	1148814	13389	73061619	80.47	13.00
May-14	59.80	74.10	50.70	66.05	1270802	16498	80174226	70.51	23.40
Jun-14	66.15	115.20	66.15	106.35	3661705	50028	336009137	65.12	49.05
Jul-14	108.70	128.95	94.25	103.10	3738999	67922	411773287	64.34	34.70
Aug-14	103.00	139.00	94.00	123.10	3876936	53027	459671140	66.07	45.00
Sep-14	124.00	148.80	111.25	127.20	4793834	67671	626778826	67.08	37.55
Oct-14	127.60	145.00	113.50	138.15	1768989	27683	229405406	73.60	31.50
Nov-14	138.70	164.00	133.00	137.55	2994797	49903	447653541	64.48	31.00
Dec-14	137.90	144.90	109.00	121.15	1557178	23358	198636722	72.80	35.90
Jan-15	120.05	129.15	120.00	120.40	145206	2909	18004416	67.95	9.15
Feb-15	114.10	122.60	100.00	101.80	634850	8606	70570457	22.60	-12.30
Mar-15	102.00	110.00	85.00	93.60	1880105	22185	181007673	25.00	-8.40

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2015 (PHYSICAL)**

Category		No. of Shareholders	Percentage (%)	No. of shares held	Percentage (%)
Up to	500	1670	92.42	279615	4.38
501	1000	69	3.82	50400	0.79
1001	2000	23	1.27	34800	0.55
2001	3000	33	1.83	82700	1.30
3001	4000	1	0.06	3200	0.05
4001	5000	5	0.28	24743	0.39
5001	10000	5	0.28	32700	0.51
10001 and Above		1	0.06	5869840	92.03
<b>TOTAL</b>		<b>1807</b>	<b>100.00</b>	<b>6377998</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2015 (ELECTRONIC)**

Category		No. of Shareholders	Percentage (%)	No. of shares held	Percentage (%)
Up to	500	6297	78.37	1005584	4.26
501	1000	790	9.83	661711	2.80
1001	2000	336	4.18	524325	2.22
2001	3000	148	1.84	384673	1.63
3001	4000	91	1.13	331953	1.41
4001	5000	78	0.97	370125	1.57
5001	10000	125	1.56	918492	3.89
10001 and Above		170	2.12	19424979	82.23
<b>TOTAL</b>		<b>8035</b>	<b>100.00</b>	<b>23621842</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2015 (PHYSICAL & ELECTRONIC)**

Category		No. of Shareholders	Percentage (%)	No. of shares held	Percentage (%)
Up to	500	7967	80.95	1285199	4.28
501	1000	859	8.73	712111	2.37
1001	2000	359	3.65	559125	1.86
2001	3000	181	1.84	467373	1.56
3001	4000	92	0.93	335153	1.12
4001	5000	83	0.84	394868	1.32
5001	10000	130	1.32	951192	3.17
10001 and Above		171	1.74	25294819	84.32
<b>TOTAL</b>		<b>9842</b>	<b>100.00</b>	<b>29999840</b>	<b>100.00</b>

**SHAREHOLDING PATTERN AS ON 31.03.2015**

Category	Total No. of Shares	% of Shareholding
Promoters/Persons acting in concert	7338600	24.46
Banks, FIs, Insurance Cos, etc	4000	0.01
Private Corporate Bodies	4799784	16.00
Mutual Funds	850000	2.83
NRI/OCBs/FIIs	7127619	23.76
Indian Public	9580875	31.94
Others(Clearing Members/Trust)	298962	1.00
<b>Total</b>	<b>29999840</b>	<b>100.00</b>

The Company's Equity Shares are compulsorily traded in the electronic form. As on 31st March, 2015, **2,36,21,842** Equity Shares representing 78.74% of the Total Paid-up Capital were held in electronic form and remaining 21.26% were in physical form i.e. **63,77,998** shares. The Shareholders can hold the shares in demat form either through NSDL or CDSL.

**IMPLEMENTATION OF 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. As required under Clause 49 of the Listing Agreement, the affirmation as regards compliances with the Code, from Directors and Senior Management, has been obtained for financial year ended 31<sup>st</sup> March, 2015.

**COMPLIANCE WITH SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 1992:**

A policy on Insider Trading has been implemented and continues to be in force, since quite some time. This policy deals with the rules, regulations and process for transactions in shares of the Company and shall apply to all transactions and for employees, as specified in Companies Insider Trading Policy, including Directors.

The Company has complied with SEBI(Prevention of Insider Trading) Regulations, 2015. Code of Fair disclosure as required under the said Regulations was adopted and submitted to BSE and also uploaded on Company's website.

**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 Enterprises (India) 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 Practicing 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

**MANAGEMENT DISCUSSION & 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 & CFO Certification under clause 49(IX) of the Listing Agreement**

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

We, Dharendra Kumar, Chairman & Managing Director, Mr. Santosh Nair, Chief Executive Officer, Narendran, Chief Financial officer of Camson Bio Technologies Limited, (Company) hereby certify that-

- (1) We have reviewed financial statements and the cash flow statement for the year 2014-15 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 are fraudulent, illegal or violative of 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.

**Sd/-**  
**Dharendra Kumar,**  
**Chairman & Managing Director**  
**(DIN- 00301372)**

**Sd/-**  
**Santosh Nair**  
**Chief Executive Officer**

**Sd/-**  
**Narendran**  
**Chief Financial Officer**

**Place: Bangalore**  
**Date: 12.08.2015**



**Declaration by CEO under Clause 49(II E) of the Listing Agreement**

I, Santosh Nair, Chief Executive Officer of Camson Bio Technologies Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with code of Conduct of the Company, for the year ended March 31, 2015.

**Place: Bangalore**

**Date: 12.08.2015**

**Sd/-**

**Santosh Nair**

**Chief Executive Officer**

**Certificate on Compliance with the Conditions of Corporate Governance  
under Clause 49 of the Listing Agreement:**

To

The Members

Camson Bio Technologies Limited

Bangalore

1. I have examined the compliance of conditions of Corporate Governance by Camson Bio Technologies Limited for the year ended 31st March 2015, as stipulated in Clause 49 of Listing Agreement of the said Company with the Stock Exchanges.
2. The compliance of 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement subject to compliance with the composition of the Audit Committee.
4. I state in respect of investor's grievances received during the year ended 31.03.2015, no investor grievances are pending against the Company as on 31st March 2015, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee.
5. I 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: 12.08.2015**

**Vijayakrishna KT**

**Practising Company Secretary**

**FCS – 1788:**

**CP - 980**



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**Management Discussion  
and Analysis Report**

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

India's macroeconomic fundamentals have experienced early signs of a recovery during FY2015, reflected in both temporal and cross-country comparisons. During the year, a modest external environment coupled with decisive political reforms has helped India fast track the recovery from the prolonged economic slowdown, persistent inflation, high levels of fiscal deficit and weakening domestic demand.

As per the Economic Survey report, GDP growth rate at constant (*2011-12 base year*) market prices in FY2013 was 5.1%, which increased to 6.9% in FY2014 and is estimated to further rise to 7.4% in FY2015. During the year under review, consistent fall in the food and international fuel prices has helped contain inflation, which has declined by over 6 percentage points since late 2013. Consumer Price Inflation (CPI) is expected to fall to 6.5% for the FY2015 and decline even further for the next year. However, despite the improvement shown by macroeconomic indicators, the recovery in the business environment at ground level was slow. As per the mid-year Economic Survey 2014-15, in addition to the oil prices, India's inflation was largely influenced by agriculture, both foreign and domestic; with global agricultural prices likely to decline by 4.8% in FY2015 from the last year.

Agriculture remains a dominant sector of the Indian economy both in terms of contribution to GDP as well as a source of employment to millions across the country. Close to two-third of the rural households depend on agriculture as their principal means of livelihood. However, as per the new series of GDP released by Central Statistics Office (CSO), the total share of Agriculture & Allied Sectors, in term of percentage of GDP remained flat 18.0% during FY2014 at the FY2012 prices, due to the large scale shift from traditional agrarian economy to industry and service sectors. For FY2015, Indian agriculture sector witnessed a slow growth rate of just 1.1%, hindered by the poor monsoon throughout the year. This growth rate is very low as compared to the target of 4.0% set for the agri sector in the 12<sup>th</sup> five-year plan (2012 – 2017), by the Government of India.

India has emerged as a significant exporter of agricultural commodities especially cotton, rice, oil meals, pepper and sugar. As per the latest agricultural data, Agri exports as a % of agricultural GDP, increased significantly from 9.1% in FY2009 to 14.1% in FY2014, while Agri imports as a % of agricultural GDP, have merely risen from 4.0% to 5.5%, during the same period.

### **The Indian Biotechnology Market**

Indian biotechnology industry has largely been instrumental in helping the country achieve a high level of success in the agriculture sector. The advances made in the modern agri biotechnology, has opened new frontiers for the agriculture, with India investing a significant part of its R&D resources on agri biotechnology. Biotechnology is seen as a viable option to address the issues of environmental degradation, sustainable farming, crop yield and soil productivity. India's current challenge is to keep up the momentum of growth, both in terms of farming and new biotechnological innovations, so as to close the ever widening food gap.





India has been able to position itself among the top biotechnology destinations in the world. It comprises of five major segments namely: bio pharmaceuticals, bio services, bio agriculture, bio industry and bio informatics. The Indian Biotechnology industry was projected to grow from US\$ 4.3 bn at the end of 2013 to US\$ 11.6 bn by 2017, according to the Association of Biotechnology led Enterprises (ABLE). The major growth drivers for the Indian biotechnology market include growing demand for healthcare services, need for sustainable agriculture, increasing foreign investments, intensive R&D activities, large scale outsourcing activity and strong government focus on the sector. Bio pharmaceuticals contributed maximum to the Indian sectoral revenue (64%), mainly on account of India being one of the biggest generic drugs producer and exporter. Bio Agriculture was third in the list, occupying a significant market share of 14% and a potential to grow rapidly in the coming years.

### ***Bio Agriculture Market in India***

With the Indian population multiplying at a much faster pace than the growth in Indian agriculture, the food supply-demand gap has been widening. In times of scarce agri resources, use of biotechnology in agriculture has provided the solution through its wide offerings such as helping to improve the effectiveness of agriculture inputs, bring down input costs and increase output. India's bio agriculture sector stood at over US\$ 7.8 bn in FY2014 and is projected to reach close to US\$ 34-37 bn by 2025, growing at a CAGR of 15.0%. As per the data provided by 'International Service for the Acquisition of Agri Biotech Applications' (ISAAA) for the CY2014, India is categorized as a Bio Agriculture mega country, having a total area of 11.6 mn hectares under biotech crops and holding a fourth highest area under bio agriculture, globally. Bio Agriculture sector is segmented into two broad categories: 1) Biocides (bio pesticides, bio fertilizers, bio insecticides) and 2) Hybrid seeds & Transgenic crops.

Within the Indian biocides market, the bio pesticides hold the largest market share and have historically grown at a very fast pace. This growth has come mainly on account of growing environmental awareness and education spreading amongst the Indian farmer fraternity. The bio pesticide segment has witnessed significant traction from the farmer community, mainly because of the effectiveness of the products to prevent pest damage, while improving the crop productivity and soil fertility.

Bio fertilizers market in India is at a growing stage of its life cycle. The demand for bio fertilizers has risen because of growing consumer preference for organic food. Bio fertilizers are increasingly in demand and vital components of organic farming. Growing adoption of soil fertility management continue to drive the bio fertilizer market, owing to its no ecological footprint and chemical free nature.

### **Road Ahead and Government Initiatives**

India offers numerous comparative advantages in terms of R&D facilities, technical know-how, skill set and cost effectiveness. This presents the biotechnology industry in India, immense potential to emerge as a key global player particularly in the bio agriculture and bio industrial segments. India's market share in global industrial enzymes and microbial bio technology is estimated at US\$ 4.4 bn by 2015-16. There is a rising opportunity in focused R&D and knowledge based innovation that can deliver environmental sustainability in the long run.



The Government of India has been supportive and has taken initiatives to improve the biotechnology sector in the country as well as offer enough scope for research in this field. The Department of Biotechnology (DBT) along with other government funded institutions such as National Biotechnology Board (NBTB) and many other autonomous bodies representing the biotechnology sector, are actively working together so as to project India as a global hub for biotech research and business excellence. The setting up of Biotechnology Regulatory Authority of India (BRAI) is further likely to boost the sector. However, dedicated focus on the agri bio space would be required for the long term growth of the bio agriculture industry.

A network of technology centers and promotion of startups by SIDBI are among few of the steps taken by the government to promote innovation and entrepreneurship in agri industry proposed by the MSME Ministry in a new scheme. The scheme follows the announcement of Rs. 200 Crore fund by the Finance Minister, Mr. Arun Jaitley in his Budget speech this year for promoting innovation and entrepreneurship in the agri industry.

## Company Overview

Camson Bio Technologies Limited (“Camson” or “CBTL”) 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 farming products, which uses secondary metabolites (biological origin) of microbes to kill / inhibit pathogens, with no use of chemicals. CBTL has been recognized by Deloitte as one the fastest growing technology companies in 2015 and conferred the Technology Fast 500 award and awarded ‘Leaders of Tomorrow Award by ET Now & Indiamart 2014-15. The Company has highly specialized R&D capabilities, having developed the ‘Proprietary Technology Platform’ for research with 4000+ microbial library and 60+ hybrid seeds varieties.

The Company’s strength in the biocides and hybrid seeds business 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 of microbial study.

As a sign of the underlying strength of the business, the Company recorded MOUs with three different farming communities, which are of strategic importance to the business in the long-run. FY2015 was the first year of operations for the institutional desk and the Company has made remarkable progress in such a short period of time. In addition to these being a testament to the Company’s R&D capabilities, these MOUs also serve as a case study for other associations and government organizations. In particular, the MOU with the Coconut Development Board is very important given it is with a government body and clearly reflects their trust and confidence in the Company’s R&D capabilities.

As of FY2015, Company was operating under two reportable business segments:

- 1) **Agri Biotech (Biocides):** CBTL manufactures biocides products using secondary metabolites of microbes, suitable for killing pests. The Agri Biotech products are categorized into four product



types: Bio Insecticides, Bio Pesticides, Bio Fertilizers and Growth Stimulants. The products are highly effective and maximize the agricultural productivity while reducing the environmental impact. Products are highly specific in their action, non synthetic, economical and environmentally safe.

- 2) **Hybrid Seeds:** CBTL deploys the technique of Intragenic science (hybrid created among similar kingdom species), to develop the hybrid seed varieties. The use of Intragenic has been considered safe in comparison to the other techniques of hybridization. The Company has a proven track record of hybrid vegetable seeds with range of over 60 hybrid varieties, catering majorly to vegetables and fruits.

The Company through with its subsidiary 'Camson Agri Ventures' (CAV), operates across the entire agri value chain, providing complete agro solution: from 'Farm to Fork'. The Company in FY2014 through CAV had acquired two state-of-the art food processing units namely Deccan and Srushti Agro exports in Maharashtra, to expand across the value chain. CAV includes a variety of operations such as Contract Farming, Food Processing, Individually Quick Frozen (IQF) products, Slicing and Pulping.

In FY2015, Company filed the application for the Scheme of Arrangement (Demerger) of the Seeds business to form a new entity 'Camson Seeds Limited' with the Honorable High Court of Karnataka. The Company has already received the observation letter from SEBI and BSE in this regard and the final approval from High Court of Karnataka will see the formal launch of a separate Seeds business entity.

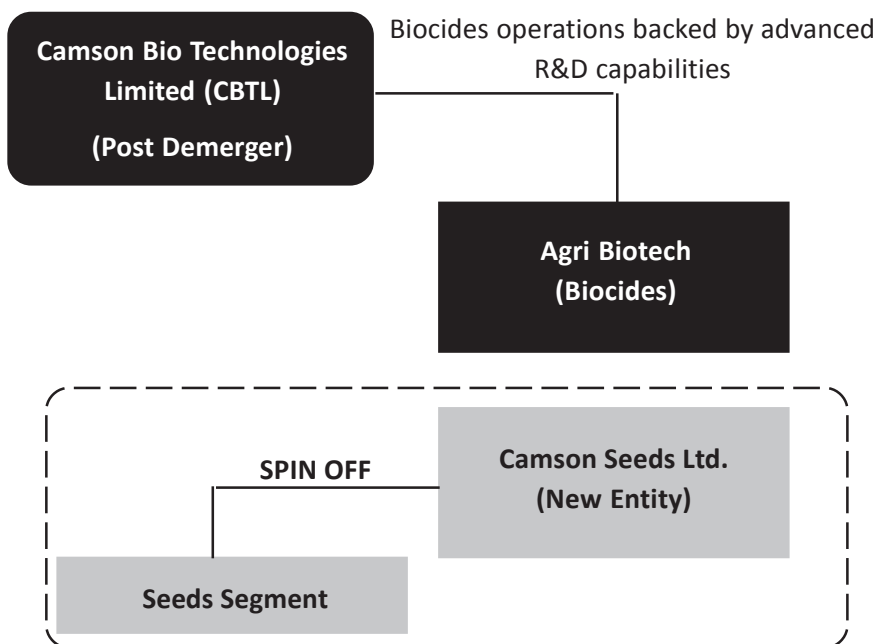
## **Business Strategy**

### ***Demerger of Seeds Business***

Camson Bio Technologies Limited (CBTL) is well placed and the demerger of Seeds business is in line with the core business strategy of the Company. Based on an order from the High Court of Karnataka, the Company had convened a meeting during the year, to gain approval of shareholders and creditors on the Scheme of Arrangement for demerger. Approval on the terms & conditions and shareholding pattern post the demerger, was granted to the Company.

### **Demerger Highlights:**

- 1) Shareholding pattern of Camson Seeds to be same as of CBTL
- 2) Existing shareholders of CBTL to be allotted shares of Camson Seeds Limited in the ratio of 1:1
- 3) CBTL will continue to operate only the Agri biotech (Biocides) business with Camson Agri Ventures, focusing upon Zero residue products, while Seeds business will be separated.
- 4) In order to put core focus on seeds business, the management has taken decision to discontinue trading/bulk seeds portion beginning from the second quarter and onwards. This is mainly due to the fact that trading/bulk seeds business which contributes low margin and has a high average collection cycle.



## Performance Review

### *New Products launched during the year*

During FY2015, CBTL launched Calterm Super EPN, a product based on a new age technology against harmful nematodes. Entamopathogenic Nematode (EPN) technology from Camson will help farmers wipe out harmful white grub, nematode and termites that destroy crops.

During FY2016, the Company plans to launch few more products including:

- Calzeb, an agricultural fungicide with multi-site, protective action on contact. It controls many fungal diseases in a wide range of field crops, fruits, nuts and vegetables
- Calcillium, an effective pesticide against wilt diseases in crops which reduces the quality and quantity of a crop by causing discoloration in tissues, stunting and premature defoliation and death. Plants which are susceptible to this disease include cotton, tomatoes and potatoes
- Calpaste for control of pests of the Coleoptile family particularly Stem Borer. These stem borers are a menace in plantation and horticulture crops like mangoes, citrus fruits and coffee
- Calbase, a very effective soil fungicide to control vascular wilts caused by Fusarium Rhizoctonia

### *Financial Performance: Consolidated basis*

Revenue increased by 6.4% on y-o-y basis, to Rs. 2,030 mn, primarily driven by a robust 29.7% growth in the Agri Biotech business segment while the Seeds business declined by (7.74)% due to the ongoing portfolio rationalization. In line with the management expectations and the ongoing focus on the core biocides business, revenue contribution from the Agri Biotech segment increased to 29.7% in FY2015 as compared to 22.5% in FY2014.

### *Financial Performance: Standalone basis*

Revenue registered a significant growth of 16.3% to reach Rs. 1,694 mn in FY2015. Agri Biotech segment contributed 35.4% to revenue in FY2015, in line with the management's outlook. EBITDA



stood at Rs. 225 mn in FY2015, registering a decline of (10.61) % on a y-o-y basis. FY2015 EBITDA margin declined by 156 basis points to 13.31 %, as compared to the last year. Margin was impacted mainly due to the unfavorable weather conditions in FY2015 and increase in the Employee Benefit Expenses. During the year, the Company has made significant investment in strengthening both the marketing & sales and R&D teams.

The last year’s performance was impacted by the scanty and unseasonal rainfall. Despite an impressive top-line performance, the profitability was impacted severely. This is because unfavorable rainfall resulted in subdued demand and increase in sales & marketing expenses to push the product sales to the weather hit and cash starved farming community.

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

Camson Bio Technologies Limited has suitable commercial arrangements with its creditors, healthy cash flows and sufficient standby credit lines with banks and financial institutions to meet its working capital requirement. It deploys a robust cash management system to ensure timely servicing of its liquidity obligations.

As of March 31, 2015, on a standalone basis, Total Debt for the Company was Rs. 369 mn, Cash and Cash Equivalent were Rs. 10.3 mn, resulting in a Net Debt of Rs. 358.7 mn (vs. Net Debt of Rs. 351.0, as on March 31, 2014, registering a decline of (1.43)% on y-o-y basis). Net Worth for the Company was Rs. 2,639.8 mn as of March 31, 2015.

In Rs. mn		FY2015 Leverage Profile: Standalone Basis				
Short Term Borrowings <sup>1</sup>	Long Term Borrowings	Total Debt	Cash & Cash Equi.	Net Debt	Net Worth	Net Debt / EBITDA (x)
319.6	49.4	369	10.3	358.7	2,639.8	1.59x

Note: 1. Short term borrowings also include: a) Current portion of long-term maturities and b) Interest accrued but not due on borrowings & security deposit

### Recent Corporate Developments

During the year under review, your Company has signed MOU’s with various farming organizations to collaborate on the advanced levels of research and business promotion. These MOU’s will facilitate the scope of ‘Joint Development & Promotion’ model, wherein Camson will undertake research and promote its products to be used against specified pests or specified soil conditions; which have been a cause of worry for the farming community. Furthermore, these MOUs are a testament to Camson’s R&D capabilities and recognition by various institutional bodies. The MOU’s signed during FY2015 include:

- 1) MOU with Vazhakkulam Pineapple Growers and Processors Pvt. Ltd. (VPGP) in Kerala, to advance the usage of biocide products in pineapple farming. VPGP performed thorough tests and field trials of Camson’s products before the MOU. VPGP reaches out to over 500 large pineapple growers that cultivate the fruit over 30,000 hectares across Kerala. VPGP will help encourage the usage of advance “Zero Residue” technology for pineapple farming, at large scale.



- 2) MOU with the Coconut Development Board (a Government of India enterprise), to undertake research to develop non chemical and zero residue secondary metabolite based biocides to control red palm weevil infesting coconut plantations. Coconut Development Board has agreed to pay Camson Rs. 2.5 mn as its contribution towards the research.
- 3) MOU with the Kerala Cardamom Processing and Marketing Company (KCPMC), to facilitate residue free farming for Kerala farmers. KCPMC, formed and managed by planter families from Kerala and Tamilnadu, is a leading organization in the field of Agri input distribution and is India's largest Cardamom auctioneer.

## Business Outlook

**Domestic Business:** Due to the lack of irrigation facilities in India, a good crop season depends largely on the monsoon. Rainfall in July plays a very important role in the overall crop productivity given it is the most crucial month for sowing. Monsoon progress in August and September also plays a key role in crop success. As per the Indian Met Department (IMD), India received an excess rainfall of 13% over the Long Period Average (LPA) till the end of June 2015. However, there was a deficiency in the month of July. As per Ministry of Agriculture, the total Kharif acreage increased by over 25% over last year due to delayed sowing last year. However, any delay or deficiency in the rest of the year may result in crop productivity and commodity prices. Such erratic monsoon has an impact on overall agricultural produce. To counter such situation, there is a need for more robust crops and more productive agriculture techniques.

With a wide range of bio technology driven products, Camson is well positioned to capitalize on the changing industry demand dynamics toward agri bio products. Camson strives to provide best possible solution to the farming community through its innovate product line and in the future, foresees itself being a 'One-Stop' biocides brand in the domestic market. Today, Camson is present across almost all states in India and continues to strengthen its dealer distribution outreach. Going forward, the Company will focus more on highly productive, Platinum dealers which are expected to result in significant improvement in topline and profitability.

**Institutional Business:** Camson had set up the institutional desk in FY2014 to cater to corporate organizations and larger farming associations. FY2015 was the first year of operations for the desk and the initial results have been remarkable. During the year, CBTL signed MOU with farmer associations and government bodies as discussed in detail in the Recent Corporate Development section. In addition to these being a testament to the Company's R&D capabilities, these MOUs also serve as a case study for other associations and government organizations. All three MOUs are at initial trial stages and the Company expects to see commercial quantities from FY2017 onwards. Institutional business is expected to provide a new dynamic to the overall growth of the Company in the years to come.

**International Growth:** The international market dynamics remain highly favorable to the agri biotechnology business and the Company is fully prepared to use the market opportunity to expand internationally in the near future. The gestation period for the international business is generally long given the regulatory requirement and various compliances. To capitalize on the emerging business opportunity in the overseas markets, Camson has already initiated relationships with potential stakeholders by sending out the products for field-testing. Your Company has also received EPA (Environment Protection Authority) approvals in certain regions and remains optimistic on its International growth outlook.



***Water Soluble Natural Fertilizer Business:*** Camson is the ‘First in the World’ to develop ‘Water Soluble Natural Fertilizers’ derived 100% from natural sources. With the growing need for completely water soluble fertilizers, the Company has developed a competitive advantage for the product and the launch of the product is at initial stage. Unlike chemical fertilizers, Company’s revolutionary product is completely water soluble and leaves no traces of itself; neither in the waste irrigation water and nor the plant itself. Camson, in the near future, can leverage its know-how of proprietary water-soluble fertilizer technology to develop the product in commercial quantities for meeting the increasing market demand without polluting the environment. The efficacy of this Natural Fertilizer is at par with any synthetic chemical used by the farmers currently. This is a breakthrough step wherein Natural Fertilizer has the capacity to replace synthetic fertilizer throughout the world.

Being a clean technology it also addresses the concerns about the toxicity, safety and the environment issues facing the world. This product will encourage healthy farming practice on a global level. Eventually, on a macro level, this product/technology can help the Indian government save a significant amount spent on subsidy for import and sale of chemical fertilizers. The Company has filed a patent application for Water Soluble Natural Fertilizers and expects the approval to be received in early FY2016.

### **Geographical Footprint and Distribution Network**

Your Company has established its reach across the length and breadth of the country, with our product present in almost every state of India. This has been achieved by setting up production facilities in North India and as well as South India. The Company owned main production facility is a 50 acres integrated R&D centre and manufacturing unit at Doddaballapur, Bangalore. We also have another Company owned manufacturing unit at Nangal, in Himachal Pradesh.

During the year CBTL strengthened its presence across the North East states of India in particular Arunachal Pradesh, Assam and Sikkim. Camson’s focus on providing its customers with a wide range of products has resulted in the requirement of a strong marketing and distribution network. The Company currently has a network of over 3,100 dealers of which over 200 are Platinum dealers. CBTL continues its focus on adding Platinum dealers to its network and strives to build a flexible supply chain to ensure requisite delivery volumes in a timely and cost efficient manner. Having established a simple distribution model with just one intermediary distributor between ‘Clearing and Forwarding’ (CNF) agent and the farmer, Camson ensures that farmers have a quick and easy access to the products. In the recent years, Camson has been optimizing and raising the standards across the organization with a key focus on sales & distribution.

### **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 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.

*Changing Customer Preferences:* As per the IMF, India's per-capita income has increased by 9.2% to reach Rs. 87,748. With improvement in the economy, the per capita income is expected to increase further resulting in rise in disposable income, thereby fueling the aspirations for a better and healthier living. This can largely drive consumer preference towards zero-residue, non-chemical organic food products. As personal income levels increase, consumption begins to lean more towards fruits and vegetables, an area which Camson has identified for the future growth.

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

In India, biotechnology industry is strongly regulated including companies operating in the agri biotechnology space. Any policies formulated by the central or state government in areas such as production, distribution, plantation, marketing or taxation can have an adverse impact on the performance of the Company. Regulatory norms governing the sector are growing over time and regular compliance is required, which can be challenging for the business. Also, changes in guidelines or policies can put specific products/ compositions under risk. Camson has established a very strong R&D platform which is based on the requisite regulatory framework. The Company's R&D and manufacturing facilities are all compliant with the latest regulatory requirement.

### ***Threats***

The Company faces continuing and unavoidable threat from unfavorable weather conditions particularly the rainfall variability. Indian agriculture is largely dependent on rains for irrigation and major fluctuations in the rainfall can adversely impact the crop acreages and overall productivity. This, in turn can greatly impacts 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.

### **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.





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

CBTL 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. 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 March 31, 2015, the Company had a total employee count of 289. 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. CBTL undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

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

**Sd/-**

**Mr. Dharendra Kumar  
Chairman & Managing Director**

**Place: Bengaluru  
Date: 12<sup>th</sup> August, 2015**



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**Standalone  
Auditors' Report**

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## **INDEPENDENT AUDITORS' REPORT**

To the Members of **CAMSON BIO TECHNOLOGIES LIMITED**

### **Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of **Camson Bio Technologies Limited, ("the Company")**, which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair



view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial Controls System over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, and its loss and cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub—section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
10. 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 purpose 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 and Cash Flow dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivate 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 B. K. Khare & Co.**

**Chartered Accountants**

Firm's Registration Number 105102W

Sd/-

Padmini Khare Kaicker

Partner

Membership Number: 044784

Dated May 19, 2015

Place, Bangalore



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 9 under “Report on other legal and regulatory requirements” of our report of even date on the financial statements for the year ended on March 31, 2015 of Camson Bio Technologies Limited)

- i.
  - la) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) According to information and explanation the fixed assets of the company were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- ii.
  - (a) Physical verification of inventory was conducted by the management at reasonable interval during the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and discrepancies noticed on physical verification by the Management have been properly adjusted in the books of account.
- iii. There are no companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the said order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and rules framed there under to the extent notified. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court or any other tribunal on the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the central government for the maintenance of cost records under section 209 1(d) of the companies Act 2013 in respect of fertilizer products and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii,
  - (a) According to information and explanation given to us, and as per our verification of records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues deducted/accrued in the books of account in respect of provident fund, investor



education and protection fund, employees' state insurance, income tax, service tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues have been regularly deposited with the appropriate authorities.

- (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute.
- (c) According to information and explanation given to us, there is no amount to be transferred to investor education and protection fund in accordance with relevant provisions of the companies act.

- viii. The Company has no accumulated losses at the end of the financial year. The Company has not incurred cash losses in current financial year as well as in the immediately preceding financial year
- ix. Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
- x. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xi. According to the information and explanation given to us, term loans have been applied for the purpose for which the loans were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

**For B. K. Khare & Co.**  
**Chartered Accountants**

Firm's Registration Number 105102W

Padmini Khare Kaicker  
Partner

Membership Number: 044784

Bangalore, May 19, 2015



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**Standalone  
Financial Statements**

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**CAMSON BIO TECHNOLOGIES LIMITED**

**Balance Sheet as at 31st Mar 2015**

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No.	As at 31-Mar-15		As at 31-Mar-14	
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	<b>Shareholders' funds</b>					
	Share capital	3	299,998,400		252,255,130	
	Reserves and surplus	4	2,339,848,588		1,786,337,707	
	Money received against share warrants		-	2,639,846,988	231,104,000	2,269,696,837
	<b>Non-current liabilities</b>					
	Long term borrowings	5	49,413,589		119,454,701	
	Other long term liabilities	6	24,497,396		19,173,571	
	Deferred tax liabilities (Net) (refer note 31)		17,796,953		-	
	Long term provisions	7	8,830,737	100,538,675	5,303,119	143,931,391
	<b>Current liabilities</b>					
	Short term borrowings	8	316,994,285		251,238,206	
	Trade payables	9	103,714,839		35,184,913	
	Other current liabilities	10	46,943,435		88,376,487	
	Short term provisions	11	28,414,398	496,066,957	35,133,109	409,932,715
	<b>TOTAL</b>			<b>3,236,452,620</b>		<b>2,823,560,943</b>
<b>II</b>	<b>ASSETS</b>					
	<b>Non-current assets</b>					
	Fixed assets					
	Tangible assets	12	1,111,091,403		775,467,802	
	Intangible assets	12A	274,376,557		320,568,528	
	Work in Progress		-		98,658	
	Non-current investments	13	83,000		83,000	
	Deferred tax assets (Net) (Refer note 31)		-		966,811	
	Long term loans & advances	14	76,847,846	1,462,398,806	420,471,890	1,517,656,689
	<b>Current assets</b>					
	Inventories	15	253,359,596		399,768,117	
	Trade receivables	16	1,454,863,043		840,143,761	
	Cash & cash equivalents	17	10,289,903		19,183,193	
	Short term loans & advances	18	55,541,272		46,809,183	
	Other current assets		-	1,774,053,814	-	1,305,904,254
	<b>TOTAL</b>			<b>3,236,452,620</b>		<b>2,823,560,943</b>
	Summary of significant accounting policies	1 & 2				

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Camson Bio Technologies Limited

for B K Khare & Co.  
Chartered Accountants  
Firm Registration No.: 105102W

Sd/-  
Padmini Khare Kaicker  
Partner  
Membership No. 044784

Sd/-  
Dhirendra Kumar  
Managing Director  
(DIN – 00301372)

Sd/-  
Santosh Nair  
Chief Executive Officer

Sd/-  
A N Singh  
Director  
(DIN – 00296396)

Place : Bangalore  
Date : 19.05.2015


**CAMSON BIO TECHNOLOGIES LIMITED**
**Statement of Profit and Loss for the year ended as on 31st Mar 2015**

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No	For the Year Ended	
			31-Mar-15	31-Mar-14
1	<b>INCOME</b>			
	Revenue from Operations	19	1,693,815,216	1,456,277,853
	Other Income	20	63,521,647	5,328,208
	<b>Total Revenue</b>		<b>1,757,336,863</b>	<b>1,461,606,061</b>
2	<b>EXPENSES</b>			
	Cost of Cultivation/ Materials Consumed	21	341,241,099	213,151,774
	Purchase of Stock-in-Trade		259,699,291	486,682,955
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	163,409,355	(29,173,340)
	Employee Benefit Expenses	23	129,351,593	85,675,674
	Financial Costs	24	40,872,610	38,686,158
	Depreciation and Amortization Expense	12	134,027,631	51,130,351
	Other Expenses	25	638,256,425	453,120,025
	<b>Total Expenses</b>		<b>1,706,858,004</b>	<b>1,299,273,597</b>
	<b>Profit Before Exceptional item and tax</b>		50,478,859	162,332,464
	Exceptional item - write down of inventory		-	35,630,025
	<b>Profit Before Tax</b>		<b>50,478,859</b>	<b>126,702,439</b>
	Tax Expense:			
	Current tax		-	3,367,417
	Current tax relating to prior years (net)		-	(214,965)
	MAT Credit (entitlement)		-	-
	Deferred tax charge/(credit)		19,655,564	(9,161,980)
	<b>Net Profit after tax for the year</b>		<b>30,823,295</b>	<b>132,711,967</b>
	Earning per Equity Share:			
	Basic		1.07	5.65
	Diluted		1.07	4.72
	Summary of Significant accounting policies	1 & 2		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Camson Bio Technologies Limited

 for B K Khare & Co.  
Chartered Accountants  
Firm Registration No.: 105102W

 Sd/-  
Padmini Khare Kaicker  
Partner  
Membership No. 044784

 Sd/-  
Dhirendra Kumar  
Managing Director  
(DIN – 00301372)

 Sd/-  
Santosh Nair  
Chief Executive Officer

 Sd/-  
A N Singh  
Director  
(DIN – 00296396)

 Place : Bangalore  
Date : 19.05.2015



**CAMSON BIO TECHNOLOGIES LIMITED  
Cash Flow for The Year Ended 31st March 2015**

(All amounts expressed in Indian Rupees )

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash Flow from Operating Activities</b>				
<b>Profit /(Loss) before taxation</b>		50,478,859		126,702,439
Adjustments for:				
Depreciation and amortisation	134,027,631		51,130,351	
Interest income on deposits	(66,680)		(3,503)	
Loss on sales of Fixed Assets	-		72,935	
Profit on sale of fixed assets	(128,406)		-	
Interest Expenses on borrowings	39,562,936		33,925,653	
Bad debts written off	-		28,164,492	
ESOP Amortisation Expenses	32,876		-	
Excess provision written back	(36,097,839)		-	
Written back of Loan	(8,004,000)		-	
Provision for doubtful debts	106,320,979		58,881,026	
		235,647,497		172,170,954
<b>Operating profit before working capital changes</b>		<b>286,126,356</b>		<b>298,873,393</b>
<b>Changes in Working Capital:</b>				
Increase / (Decrease) in trade payables and liabilities	32,420,699		(13,864,247)	
Increase / (Decrease) in provisions	57,419,335		(8,034,058)	
(Increase) / Decrease in trade receivables	(721,040,261)		(286,546,054)	
(Increase) / Decrease in inventories	146,408,521		(4,182,362)	
(Increase) / Decrease in loans and advances	343,624,044		(138,732,392)	
(Increase) / Decrease in current assets	(8,732,089)	(149,899,751)	-	(451,359,113)
Taxes paid		<b>5,000,000</b>		5,781,022
<b>Net cash used in operating activities</b>		<b>141,226,605</b>		<b>(146,704,698)</b>
<b>B. Cash flow from Investing Activities:</b>				
Purchase of tangible/intangible assets including Capital work in progress	(433,798,606)		(363,321,252)	
Sale Proceeds of tangible assets	596,000		170,000	
Interest received on deposits	66,680		3,503	
<b>Net cash used in investing activities</b>		<b>(433,135,926)</b>		<b>(363,147,749)</b>
<b>C. Cash flow from Financing Activities</b>				
Proceeds on issue of Share warrant	-		112,104,000	
Proceeds on issue of Equity shares	318,860,000		441,421,999	
Payment of Dividend including dividend distribution tax	-		(21,211,194)	
Interest paid	(39,562,936)		(33,118,827)	
Proceeds from Borrowings	151,917,172		150,253,611	
Repayment of borrowings	(148,198,205)		(137,169,852)	
<b>Net cash used in Financing Activities</b>		<b>283,016,031</b>		<b>512,279,737</b>
<b>Net increase in cash and cash equivalents</b>		<b>(8,893,290)</b>		<b>2,427,290</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>19,183,193</b>		<b>16,755,903</b>
<b>Cash and Cash equivalents at the end of the year (Refer note.: 17)</b>		<b>10,289,903</b>		<b>19,183,193</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Camson Bio Technologies Limited

for B K Khare & Co.  
Chartered Accountants  
Firm Registration No.: 105102W

Sd/-  
Padmini Khare Kaicker  
Partner  
Membership No. 044784

Place : Bangalore  
Date : 19.05.2015

Sd/-  
Dhirendra Kumar  
Managing Director  
(DIN – 00301372)

Sd/-  
Santosh Nair  
Chief Executive Officer

Sd/-  
A N Singh  
Director  
(DIN – 00296396)


**3 SHARE CAPITAL**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Number	Amounts in INR	Number	Amounts in INR
<b>Authorised</b>				
Equity Shares (see 'a' below)	35,000,000	350,000,000	35,000,000	350,000,000
<b>Issued</b>				
Equity Shares (see 'a' below)	29,999,840	299,998,400	25,225,513	252,255,130
<b>Subscribed and fully paid</b>				
Equity Shares (see 'a' below)	29,999,840	299,998,400	25,225,513	252,255,130
<b>Total</b>	<b>29,999,840</b>	<b>299,998,400</b>	<b>25,225,513</b>	<b>252,255,130</b>

a. Par value per equity Share is Rs. 10 /=-

b. Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Number	Amounts in INR	Number	Amounts in INR
<b>Equity Shares</b>				
At the Beginning of the year	25,225,513	252,255,130	18,130,000	181,300,000
Add: Issued during the year	4,774,327	47,743,270	7,095,513	70,955,130
At the End of the year	29,999,840	299,998,400	25,225,513	252,255,130

c. Terms / rights attached to equity shares

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.

d. Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	No. of shares held	% of holding	No. of shares held	% of holding
Dhirendra Kumar	1,944,680	6.48	1,944,680	7.71
Shashtika Health Resort & SPA Private Ltd	2,790,000	9.30	2,790,000	11.06
Bio Harvest Pte. Ltd.	5,869,840	19.57	4,195,513	16.63

e. Shares reserved for issue under option and contract/commitments.

i) The Company has granted 1,499,990 Stock Options under Employee Stock Option Plan 2012 to their eligible employees on its board meeting dated February 12, 2015. ( Refer Note 26.3)


**4 RESERVES & SURPLUS**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
<b>Capital Reserve</b>				
Balance as per last financial statement	21,121,135		21,121,135	
<b>Add:</b> Additions during the Year	-	21,121,135	-	21,121,135
<b>Securities Premium Account</b>				
Balance as per last financial statement	754,416,869		354,950,000	
<b>Add:</b> Arising/received on issue of shares during the year	502,220,730		399,466,869	
		1,256,637,599		754,416,869
<b>General Reserve</b>				
Balance as per last financial statement	212,362,915		212,362,915	
<b>Add:</b> Additions during the Year	-	212,362,915	-	212,362,915
<b>Surplus in Statement of Profit &amp; Loss</b>				
Balance as per last financial statement	798,436,788		695,237,410	
Profit for the Year	30,823,295		132,711,967	
	829,260,083		827,949,377	
<b>Appropriations</b>				
Adjusted from Fixed Assets	9,970,409		-	
Impact of deferred tax	891,800		-	
ESOP Amortisation	32,876		-	
Proposed Dividend on Equity Shares	(25,225,513)		25,225,513	
Corporate Dividend Tax	(4,287,076)		4,287,076	
Net surplus in Statement of Profit & Loss		849,726,939		798,436,788
<b>Total</b>		<b>2,339,848,588</b>		<b>1,786,337,707</b>

**5 LONG TERM BORROWINGS**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
<b>Term Loans</b>				
<b>a) From Bank: - Secured</b>				
Term Loan from Banks (Secured against hypothecation of Vehicles, with interest rate of 12 % repayable over 48 monthly instalments commencing from 05.07.2012)		2,908,516		768,499
Term Loan -refer note below		-		106,780,005
<b>b) From Other Parties:</b>				
Long Term Borrowings from TATA Motors Finance Ltd (Secured against hypothecation of Vehicles, with interest rate of 11.50%)		-		169,229
Long Term Borrowings from Related Parties (Unsecured ,Interest free - repayable after 31st March 2016)		20,199,961		9,265,249
Long Term Borrowings from others (Unsecured ,Interest free - repayable after 31st March 2016)		27,165,075		29,111,548
<b>Total Long term borrowings</b>		<b>50,273,552</b>		<b>146,094,530</b>
<b>Less:</b> Current maturities of long term debt (refer note 10)		859,963		26,639,829
<b>Total</b>		<b>49,413,589</b>		<b>119,454,701</b>

There are two Term Loan on Car amounted to Rs. 2,471,639/- and Rs. 436,877/- having interest rate @ 10.25% p.a. and 11.25% p.a. which is repayable on 60 Instalment and 48 instalment having last due date June 07, 2019 and May 05, 2016 respectively.

**6 OTHER LONG TERM LIABILITIES**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
Trade Deposits received		24,497,396		19,173,571
<b>Total</b>		<b>24,497,396</b>		<b>19,173,571</b>

**7 LONG TERM PROVISIONS**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
Provision for Gratuity (Refer note 26.1)		5,820,456		3,260,864
Provision for Leave Encashment (Refer note 26.2)		3,010,281		2,042,255
<b>Total</b>		<b>8,830,737</b>		<b>5,303,119</b>

**8 SHORT TERM BORROWINGS**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
<b>a) Loans repayable on demand</b>				
<b>i) From Banks (Secured):</b>				
Cash Credit facilities (Refer Note below)		216,536,999		194,073,683
Other Loan (Refer Note below)		100,457,286		49,160,523
<b>ii) From other parties, unsecured (Refer note 35.6)</b>		-		8,004,000
<b>Total</b>		<b>316,994,285</b>		<b>251,238,206</b>

The Cash credit and other loan facilities from are Secured by hypothecation of Stocks and Book Debts (Present & Future) of the Company and further Secured by equitable mortgage on the Land and Building situated at Plot No 6 A and B, Phase -4, Industrial Area, Gwalthai, Dist.: Bilaspur, Himachal Pradesh and land and building at Doddabalapur, Bangalore and carries interest rate of base rate + 2.2%



**9 TRADE PAYABLES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Due to Micro, Small and Medium Enterprises ( Refer Note 35.3)		-	
Due to Others		103,714,839		35,184,913
<b>Total</b>		<b>103,714,839</b>		<b>35,184,913</b>

**10 OTHER CURRENT LIABILITIES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Current maturities of long term debts (refer note 5)		859,963	
Interest accrued but not due on borrowings		1,771,303		2,042,505
Interest accrued but not due on security deposit		-		796,887
Statutory payables		3,660,203		2,756,785
Advances From customers		-		-
Unclaimed dividend		1,585,777		1,618,172
Liabilities for Capital Assets		3,717,898		7,022,740
Payable to Employees		23,407,285		44,822,962
Other Liabilities		11,941,006		2,676,607
<b>Total</b>		<b>46,943,435</b>		<b>88,376,487</b>

**11 SHORT TERM PROVISIONS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Provision for Gratuity (Refer Note 26.1)		1,902,468	
Provision for Leave Encashment (Refer Note 26.2)		694,146		586,770
Proposed dividend		-		25,225,513
Corporate dividend tax		-		4,287,076
Provision for taxation (Net of advance tax)		25,817,784		3,367,417
<b>Total</b>		<b>28,414,398</b>		<b>35,133,109</b>



**12. TANGIBLE ASSETS**

Particular	Gross Block			Depreciation/Amortization			Net Block		
	As at 1st April, 2014	Additions	Deductions during the Period	As at 31st March, 2015	As at 1st April, 2014	Charged for the Period	Written Back	As at 31st March, 2015	As at 31st March, 2014
Land - Freehold	22,280,945	-	-	22,280,945	-	-	-	22,280,945	22,280,945
Land - Leasehold	97,451,467	416,675,676	-	514,127,143	18,092,356	10,067,948	-	485,966,839	79,359,111
Land Development Cost	22,242,169	-	-	22,242,169	4,088,903	12,113,240	-	6,040,026	18,153,266
Building	265,314,335	7,279,559	7,950,540	264,643,354	36,003,521	22,475,732	-	206,164,101	229,310,814
Green House	8,951,987	-	-	8,951,987	8,951,987	-	-	8,951,987	-
Plant And Machinery	430,924,684	4,752,120	(337,635)	436,014,439	57,740,404	30,290,393	-	347,983,643	373,184,280
Office Equipment	15,930,775	612,900	1,071,426	15,472,249	3,396,666	4,303,083	-	7,772,500	12,534,109
Computer	4,506,223	489,889	1,096,345	3,899,767	1,784,576	1,011,564	-	1,103,627	2,721,647
Furniture & Fixtures	38,221,949	58,237	-	38,280,186	7,393,802	4,298,850	-	26,587,534	30,828,147
Vehicles	15,847,199	3,979,030	2,227,574	17,598,655	8,751,716	3,229,021	1,574,268	7,192,186	7,095,483
<b>TOTAL - A</b>	<b>921,671,733</b>	<b>433,847,411</b>	<b>12,008,250</b>	<b>1,343,510,894</b>	<b>146,203,931</b>	<b>87,789,831</b>	<b>1,574,268</b>	<b>232,419,494</b>	<b>775,467,802</b>
Previous Year Total - A	880,185,892	42,110,132	624,291	921,671,733	96,331,271	50,254,016	381,356	775,467,802	783,854,621

**12A. INTANGIBLE ASSETS**

Particular	Gross Block			Depreciation/Amortization			Net Block		
	As at 1st April, 2014	Additions	Deductions during the Period	As at 31st March, 2015	As at 1st April, 2014	Charged for the Period	Written Back	As at 31st March, 2015	As at 31st March, 2014
Software	908,876	49,849	4,021	954,704	204,497	435,362	-	314,845	704,379
Product Development Cost	320,617,067	-	-	320,617,067	752,917	45,802,438	-	274,061,712	319,864,150
<b>TOTAL - B</b>	<b>321,525,943</b>	<b>49,849</b>	<b>4,021</b>	<b>321,571,771</b>	<b>957,414</b>	<b>46,237,800</b>	<b>-</b>	<b>274,376,557</b>	<b>320,568,529</b>
Previous Year Total - B	413,481	321,112,462	-	321,525,943	81,079	876,335	-	320,568,529	332,402
<b>GRAND TOTAL ( A+B)</b>	<b>1,243,197,676</b>	<b>433,897,260</b>	<b>12,012,271</b>	<b>1,665,082,665</b>	<b>147,161,345</b>	<b>134,027,631</b>	<b>1,574,268</b>	<b>1,385,467,958</b>	<b>1,096,036,331</b>
PREVIOUS YEAR	880,599,373	363,222,594	624,291	1,243,197,676	96,412,350	51,130,351	381,356	1,096,036,331	784,187,023
<b>GRAND TOTAL ( A+B)</b>									





**13 NON CURRENT INVESTMENTS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>Trade Investment (unquoted)</b>				
Investment in Equity shares:				
Investment in 6500 shares of face value of Rs.10 each in Subsidiary Company M/s Camson Agri Venture Private Limited		65,000		65,000
<b>Other Investments ( unquoted)</b>				
Investment in Government/Trust Securities		18,000		18,000
<b>Total</b>		<b>83,000</b>		<b>83,000</b>

**14 LONG TERM LOANS AND ADVANCES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>Unsecured, considered Good:</b>				
Capital advances		3,574,162		1,959,315
Capital advances to related party (Refer Note 29.2)		-		374,725,677
Deposits		6,741,063		4,960,687
MAT credit entitlement		6,532,621		6,532,621
<b>Other Advance</b>				
Advance for Investment in Camson Agri Ventures Private Limited		60,000,000		32,293,590
<b>Total</b>		<b>76,847,846</b>		<b>420,471,890</b>

**15 INVENTORIES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
Raw materials		14,552,675		7,859,905
Foundation seeds		65,887,331		97,527,442
Finished goods		151,716,121		133,570,198
Packing materials		21,203,469		10,895,405
Stock in Trade		-		149,915,167
<b>Total</b>		<b>253,359,596</b>		<b>399,768,117</b>


**16 TRADE RECEIVABLES**

Particulars	As at	
	31-Mar-15	31-Mar-14
<b>Unsecured,</b>		
Trade Receivables outstanding for a Period Exceeding Six months from the date they are due for payment		
Considered Good	658,938,431	346,607,202
Considered Doubtful	106,320,979	58,881,026
<b>Sub Total</b>	765,259,410	405,488,228
<b>Less: Provision for Doubtful Debts</b>	106,320,979	58,881,026
	658,938,431	346,607,202
Others - Considered Good	795,924,612	493,536,559
<b>Total</b>	<b>1,454,863,043</b>	<b>840,143,761</b>

**17 CASH AND BANK BALANCES**

Particulars	As at	
	31-Mar-15	31-Mar-14
<b>Cash and Cash Equivalents:</b>		
Cash on Hand	89,792	105,969
Balance with Banks in Current accounts	5,630,098	17,275,066
<b>Other Bank Balances</b>		
In Margin Deposit	2,984,636	184,386
Unclaimed Dividend Balance	1,585,377	1,617,772
<b>Total</b>	<b>10,289,903</b>	<b>19,183,193</b>

**18 SHORT TERM LOANS AND ADVANCES**

Particulars	As at	
	31-Mar-15	31-Mar-14
<b>Other loans &amp; advances</b>		
<b>Unsecured, Considered Good</b>		
Advance to suppliers and parties for cultivation	52,920,215	42,461,730
Advances to related parties	82,195	61,412
Trade /Security deposits	-	200,000
Tender Deposits - With Government Authorities	-	1,152,676
Employee advances	1,658,063	2,161,711
Interest Accrued	66,680	
Prepaid expenses	814,119	771,654
<b>Total</b>	<b>55,541,272</b>	<b>46,809,183</b>

**19 REVENUE FROM OPERATIONS**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Sale of Products		1,693,815,216		1,456,277,853
<b>Details of Products Sold:</b>				
Seeds		671,617,694		666,018,318
Agricultural Biotech Products		599,509,699		430,265,702
Trading of Seeds		422,687,823		359,993,833
<b>Total</b>		<b>1,693,815,216</b>		<b>1,456,277,853</b>

**20 OTHER INCOME**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Excess provision written back		44,101,839		3,142,994
Insurance claim received		-		-
Miscellaneous receipts		19,291,402		2,185,214
Prior period income		-		-
Profit on Sales of Fixed Assets		128,406		-
<b>Total</b>		<b>63,521,647</b>		<b>5,328,208</b>

**21 COST OF CULTIVATION/ MATERIALS CONSUMED**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Cultivation expenses		222,350,242		163,393,522
Raw materials consumed		66,549,511		28,910,820
Packing materials consumed		50,398,903		19,667,299
Carriage inward		1,942,443		1,180,133
<b>Total</b>		<b>341,241,099</b>		<b>213,151,774</b>


**22 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
	<b>Inventories at the end of the Year</b>			
Foundation Seeds		101,517,356		133,157,467
Finished Goods		151,716,121		133,570,198
Stock in Trade		-		149,915,167
		253,233,477		416,642,832
<b>Inventories at the beginning of the year</b>				
Foundation Seeds		133,157,467		162,513,638
Finished Goods		133,570,198		224,955,854
Stock in Trade		149,915,167		-
		416,642,832		387,469,492
<b>(Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		<b>163,409,355</b>		<b>(29,173,340)</b>

**23 EMPLOYEE BENEFIT EXPENSES**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
	Salaries, wages and allowances		119,766,346	
Contribution to provident & other funds		8,750,622		2,133,084
Staff welfare expenses		834,625		1,142,934
<b>Total</b>		<b>129,351,593</b>		<b>85,675,674</b>

**24 FINANCIAL COSTS**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
	Interest on Cash credit/working capital		23,404,871	
Interest Paid on term loan		5,014,963		14,155,394
Interest on Income tax		-		-
Interest on others		11,143,102		4,439,483
Bank charges		1,309,674		2,718,000
<b>Total</b>		<b>40,872,610</b>		<b>38,686,158</b>


**25 OTHER EXPENSES**

Particulars	For the Year Ended		For the Year Ended	
	31-Mar-15		31-Mar-14	
Geo-climatic trial expense		72,433,520		41,059,402
Labour charges		3,660,519		3,918,973
Power, fuel & water		5,926,198		5,527,658
Repairs & maintenance:				
Building		1,593,847		1,186,392
Plant & machinery		1,650,556		450,451
Others		2,746,633		2,898,426
Rent & hire charges		5,022,044		4,985,115
Rates & taxes		3,031,339		5,255,900
Insurance		1,921,278		1,406,167
Travelling & conveyance		65,586,249		50,873,627
Communication expenses		3,109,585		2,586,674
Postage & courier charges		1,488,356		664,734
Printing & stationery		4,842,945		2,979,257
Legal & professional fees		11,160,773		13,428,797
Auditors' remuneration		786,520		674,160
Director's sitting fee		19,732		18,402
Freight		40,269,211		26,251,617
Rebate & discounts		123,910,799		52,941,571
Business promotion		206,678,894		140,174,035
Product Testing Charges		2,401,695		-
Provision for doubtful debts		47,579,615		58,881,026
Bad and doubtful debts written off		-		28,164,492
Income Tax		23,520,146		-
Miscellaneous		8,915,971		8,793,149
<b>Total</b>		<b>638,256,425</b>		<b>453,120,025</b>

<b>Remuneration to Auditor</b>				
<b>As Auditor</b>				
Audit Fees		400,000		400,000
Limited review		300,000		200,000
Out of pocket expense and Service Tax		86,520		74,160
		<b>786,520</b>		<b>674,160</b>



## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(All amounts expressed in Indian Rupees)

### **1. CORPORATE INFORMATION**

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

### **2. SIGNIFICANT ACCOUNTING POLICIES :**

#### **2.1 Basis for preparation of Financial Statements:**

The financial statements are prepared under the historic cost convention, on accrual basis of accounting and as per applicable Notified Accounting Standards laid down in Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The accounting policies adopted by the company are consistent with those of the previous year.

All assets and liabilities have been classified as current and non-current as per the company’s normal operating cycle and other criteria set out in the schedule III of the Companies Act 2013. Based on the nature of service/ operations. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### **2.2 Use of estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the period under review. Although these estimates are based upon the Managements best knowledge of current events and actions, actual results could differ from these estimates.

#### **2.3 Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, expenses incidental to the installation of the assets, cost of bringing the asset to its working condition for its intended use and attributable borrowing costs. Capital Work-in Progress comprises cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. Intangible assets are recorded at the consideration paid for their acquisition.



**2.4 Depreciation / Amortization:**

**a. Tangible assets :**

- i. Tangible assets are stated at cost of acquisition (including incidental expenses), less accumulated depreciation.
- ii Assets held for sale or disposals are stated at the lower of their net book value and net realizable value.

**b. Depreciation on Tangible assets**

Depreciation on tangible assets is charged on Straight Line Method (SLM) in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis except for following assets in respect of which useful life is taken as estimated by the management based on the actual usage pattern of the assets

- i. Poly house and Land development cost has been depreciated over a period of ten years
- ii. The cost of leasehold land at Doddaballapur plant is being amortized over 99 years
- iii. Depreciation on additions/deletions during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs.5,000/- each are fully depreciated.

**c. Intangible assets :**

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

**d. Amortization of Intangible assets:**

- i. Intangible assets comprises of computer software which is amortized over the estimated useful life. The maximum period for such amortization is taken as 36 months based on management's estimates of useful life.
- ii. Intangible assets are depreciated over the license period or estimated useful life in the range of 3 to 6 years, whichever is lower
- iii. Product development costs are amortized over a period of 84 months.

The Company has revised depreciation rates on fixed assets effective April 1, 2014 in accordance with requirement of schedule II of Companies Act 2013 ("the Act"). The remaining useful life has been revised by adopting standard useful life as per the Companies Act, 2013. Consequent upon such change the depreciation amounting to Rs.90.78 lakhs (net of deferred tax of Rs. 8.91 lakhs) has been adjusted against reserves in respect of assets which have already completed their useful lives before April 2014 and for other assets depreciation has been charged based on their remaining useful life. Had the company continued with the previously assessed useful lives, the charge for depreciation would



have been lower by Rs.93.77 lakhs and Rs. 353 Lakhs for the quarter and year ended 31st March 2015 respectively.

## 2.5 Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost, except for other than temporary diminution in value, if any, are provided for.

## 2.6 Inventories:

- a. Inventories comprises of Raw Material, Stores, Spares and Consumables, Packing Materials, Finished Goods and Foundation Seeds.
- 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, raw materials, stores, spares, consumables, and packing materials are valued at lower of cost and net realizable value on FIFO basis. 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) Finished Goods and Work-in-Progress 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 determined using the retail method. Cost also includes a portion of the research expenses which in the opinion of the management attribute to the development of these seeds.
  - (iii) Foundation seeds which are meant for production are valued at cost. (Refer Note No. 35.1)

## 2.7 Employee Benefits:

### a. Post-employment benefit plans

Contribution to defined contributory retirement benefit schemes are recognized as an expense when employees have rendered services entitling them to contributions. For defined benefit schemes, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet Date. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

- b. **Short Term Employee Benefits:** The amount payable on account of short term employee





benefits comprising largely of salaries and wages, annual bonus/ incentives etc. is valued on an undiscounted basis and charged to the Statement of profit & loss for the year.

- c. **Other long term Employee Benefits:** The employees are entitled to accumulate leave subject to certain limits for future availment. The liabilities for such compensated absence are provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

## 2.8 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

### a. Sale of Goods:

Revenue from sale of goods is recognized when significant risk and rewards of the ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customer and when there is no significant uncertainty regarding the consideration that will be derived from the sale of goods.

### b. Interest Income:

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

## 2.9 Research And Development:

Revenue expenditure is charged to the Statement of Profit and Loss. Fixed Assets utilized for research activities are capitalized and depreciated in accordance with the policies stated for tangible fixed assets and in tangible fixed assets.

## 2.10 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of asset up to the date such asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

## 2.11 Taxation:

### a. Current Tax:

Provision for current taxation has been made in accordance with the Income Tax laws applicable to the assessment year.

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

In case the company is liable to pay income tax u/s 115JB of income tax Act, 1961 ( MAT),



the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

**c. Deferred Tax:**

The deferred tax asset and deferred tax liability is calculated by applying tax rate that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax asset on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date the carrying amount of deferred tax assets are reviewed.

**2.12 Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price or value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

**2.13 Foreign Currency Transactions:**

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.

**2.14 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.

**2.15 Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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



## 2.16 Provisions and contingent liabilities:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined as best estimates required settling the obligation at the Balance Sheet date.

Contingent Liabilities are disclosed by way of notes to accounts in case of:

- a. A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle that obligation;
- b. A present obligation when no reliable estimate is possible; and
- c. A possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements.

## 26. Employee Benefits

### 26.1 Retirement Benefit Plans:

- a) Defined contribution plans:

The Company makes Provident Fund contribution to defined contribution plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 4,805,606/- (P.Y. Rs. 2,083,725/-) for provident fund contributions in the Statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the respective scheme.

- b) Defined benefit plans:

The Company makes provision for Employees' Gratuity Scheme for eligible employees. The scheme provides for lump sum payment to eligible employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Eligibility occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at the balance sheet date.



The following table sets out the details of the gratuity plan and experience adjustments amounts recognized in the Company's financial statements as at March 31, 2015:

Sl No	Particulars	Year Ended	
		31.03.2015	31.03.2014
<b>I</b>	Present Value of Funded Obligation	-	-
	Fair Value of Plan Assets	-	-
	Present Value of Unfunded Obligation	7,722,924	4,927,197
	Unrecognized Past Service Cost	-	-
	Amount not Recognized as on Assets (limit as Para 59(b))	-	-
	<b>Net Liability</b>	<b>7,722,924</b>	<b>4,927,197</b>
	<u>Amount in Balance Sheet</u>		
	Liabilities	7,722,924	4,927,197
	Assets	-	-
	<b>Net Liability is bifurcated as follows:</b>		
	Current	1,902,468	1,666,333
	Non-Current	5,820,456	3,260,864
	<b>Net Liability</b>	<b>7,722,924</b>	<b>4,927,197</b>
	<b>II</b>	<b><u>Expenses to be Recognized in Statement of Profit and Loss</u></b>	
	Current Service Cost	1,193,583	1,124,357
	Interest on Defined Benefit Obligation	483,817	421,946
	Expected Return of Plan Assets	NA	NA
	Net Actuarial Losses/ (Gain) Recognized in Year	1,118,327	(849,390)
	Past Service Cost	-	-
	<b>Total, included in "Employee Benefit Expenses"</b>	<b>2,795,727</b>	<b>696,913</b>
	Actual Return on Plan Assets	-	-
<b>III</b>	<b>Change in Defined Benefit Obligation</b>		
	Opening Defined Benefit Obligation	4,927,197	4,230,284
	Current Service Cost Interest Cost	1,193,583	1,124,357
	Actuarial Losses / (Gain)	483,817	421,946
	Past Service Cost	1,118,327	(849,390)
	Actuarial Losses / (Gain) due to Curtailment	-	-
	Liabilities Extinguished on Settlements	-	-
	Liabilities Assumed on Acquisition / (Settled on Divestiture	-	-
	Exchange Difference on Foreign Plans	-	-
	Benefits Paid	-	-
	<b>Closing Defined Benefit Obligation</b>		



<b>IV</b>	<b>Change in Fair Value of Assets</b>		
	Opening Fair Value of Plan Assets	7,722,924	4,927,197
	Expected Return on Plan Assets	-	-
	Actuarial Gain / (Losses)	-	-
	Assets Distributed on Settlements	-	-
	Contributions by Employer	-	-
	Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
	Benefits Paid	-	-
	<b>Closing Fair Value of Plan Assets</b>		
	Expected Employer's contribution Next year	1,902,468	1,666,333
<b>V</b>	<b>Assumption at the Valuation Date:</b>		
	Discount Rate (p. a.)	7.95%	9.15%
	Expected Rate of Return of Assets (p.a.)	NA	NA
	Salary Escalation Rate (p.a.)	7%	10% for the first year & 7 % thereafter

**VI Experience Adjustments:**

(Amount in Rs.)

Particulars	Year Ended March 31				
	2015	2014	2013	2012	2011
Defined Benefit Obligation	7,722,924	4,927,197	4,230,284	3,660,973	2,572,188
Plan Assets	NA	NA	NA	NA	NA
Surplus/ (Deficit)	(7,722,924)	(4,927,197)	(4,230,284)	(3,660,973)	(2,572,188)
Experience Adjustment on Plan Liabilities [gain/ (loss)]	388,556	(751,083)	(412,264)	395,659	434,430
Experience Adjustment on Plan Assets [gain/ (loss)]	-	-	-	-	-

26.2 Employees are entitled to accumulation of leave which can be encashed at the time of retirement or termination. The leave encashment benefit scheme is a defined benefit plan and is not funded. Hence, there are no plan assets attributable to the obligation. The Leave encashment liability under defined benefit plan as on 31.3.2015 is Rs. 3,704,427 (2013: Rs. 2,629,025).



### 26.3 Employee Stock Options Plan

‘The Company has formulated Employee Stock Option plan 2012, drafted in accordance with the SEBI (Employee Stock Option Scheme) Guidelines, 1999. The company has granted 14,99,990 stock options to their eligible employees in its board meeting held on Dt: Feb 12, 2015. to acquire equity shares of the Company which vest in a graded manner and to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess of Rs. 0.50/- on the closing market price of Rs. 109.5/-, the day prior to the grant of the options under ESOS over the exercise price of Rs. 109/- is amortized on a straight-line basis over the vesting period. (Amortization amount – Rs. 32876/-)

Total Number of Options Granted	1,499,990 ( Fourteen Lacs Ninety Nine Thousand Nine Hundred and Ninety only)
Exercise Price Per Option	Rs. 109/-(One Hundred Nine Only)
The Vesting Period of the Option is as under	
12 Months	33.34% of Options
24 Months	33.33% of Options
36 Months	33.33% of Options

### 27. Segment Information:

In accordance with AS-17 “Segment Revenue”, notified by the Companies (Accounting Standards) Rules, 2006, segment revenue, segment results and other information are as under:

#### A. Primary Segment

(a) Business Segment:

Segment identified by the company comprises as under:

- i. Seeds & Vegetables
- ii. Agri Biotech Products

(b) Segment Revenue & Expenses:

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as “Unallocable”.

(c) Segment Assets & Liabilities:

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.


**B. Secondary Segment**

The entire turnover of the Company is from domestic business and there is no geographical/secondary segment to be reported.

Segment results, assets and liabilities are as given below

Particulars	Seeds & Vegetables		Agri Biotech Products		Consolidated Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Revenue	1,111,161,346	1,026,012,151	632,519,168	430,265,702	1,743,680,514	1,456,277,853
Segment Result	139,479,191	146,074,753	51,195,849	19,267,005	190,675,040	165,341,758
Unallocated Corporate Expenses					112,979,920	-
Unallocated Corporate Incomes					13,572,049	-
Operating profit before interest & taxes					91,267,169	165,341,758
Interest Expense					40,872,610	38,686,158
Interest Income					84,300	46,839
Profit Before Tax					50,478,859	126,702,439
Taxation						
Tax expenses					19,655,564	(6,009,528)
Profit After Tax for the year					30,823,295	132,711,967
Prior Period Adjustments					-	-
Profit after tax					30,823,295	132,711,967
<b>Other Information</b>						
Segment Assets						
Fixed Assets	167,352,898	160,996,207	1,218,115,062	686,171,469	1,385,467,960	847,167,676
Investments	-	-	83,000	-	83,000	-
Current Assets	1,386,125,584	1,048,858,946	387,928,230	233,514,662	1,774,053,814	1,282,373,608
Long term loans & advances	276,000	-	76,571,846	-	76,847,846	-
Unallocated Corporate Assets						
Fixed Assets					-	248,967,314
Investments					-	83,000
Current Assets					-	55,824,235



Long term loans & advances					-	389,145,111
<b>Total Assets</b>					<b>3,236,452,620</b>	<b>2,823,560,943</b>
Segment Liabilities	103,551,695	21,931,472	493,053,937	39,983,234	596,605,632	61,914,706
Unallocated Corporate Liabilities					-	491,949,400
<b>Total Liabilities</b>					<b>596,605,632</b>	<b>553,864,106</b>
Capital Employed					2,639,846,988	2,269,696,837
<b>Total Equity and liabilities</b>					<b>3,236,452,620</b>	<b>2,823,560,943</b>

**28. Related Party Disclosure:****1. Related parties:****a. Name of the related party and nature of relationship where control exists:**

<b>Sl. No.</b>	<b>Name of the party</b>	<b>Nature of Relationship</b>
1.	Camson Agri Ventures Private Limited	Subsidiary
2.	Dhirendra Kumar – Managing Director	Key Management Personnel
3.	Veerendra Kumar Singh – Director	Key Management Personnel
4.	Camson Agro Products Private Limited (CAP)	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
5.	Camson Seeds Limited	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
6.	Camson Farm Management Venture LLP	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
7.	A.N. Singh - Director	Relatives of Key Management Personnel:
9.	Geeta Singh	Relatives of Key Management Personnel
10	Karan Singh	Relatives of Key Management Personnel
11	Reeya Singh	Relatives of Key Management Personnel




 b Related Party transactions are as under **Transactions with related parties**

Sl. No.	Particulars	31st March 2015	31st March 2014
<b>I</b>	<b>Transactions with KMP &amp; their relatives</b>		
	Remuneration to Dharendra Kumar	8,400,000	8,067,762
	Remuneration to Karan Singh	1,533,500	638,315
	Loan taken/repaid from/to Dharendra Kumar	23,199,364 (12,264,652)	23,490,271 (23,652,211)
	Loan taken/repaid from/to Geeta Singh	500,000 (500,000)	(1,500,000)
	Capital Advance to A N Singh, Director	41,000,000	220,350,000
	Commission Paid to Veerendra Kumar Singh	469,731	1,456,929
	Dividend to Dharendra Kumar	Nil	1,944,680
	Dividend to Karan Singh	Nil	850,000
	Dividend to Geeta Singh	Nil	792,710
	Dividend to Akbal Narayan Singh	Nil	118,500
	Dividend to Veerendra Kumar Singh	Nil	110,000
	Dividend to Alka Singh	Nil	32,710
<b>II</b>	<b>Transactions with subsidiaries/ associates</b>		
	Biocides Sales to Camson Agri Ventures Private Limited	3,387,411	2,985,155
	Seeds Sales to Camson Agri Ventures Private Limited	(9,470)	1,221,790
	Reimbursement of Expenses/ Advances/ (recovery) from Camson Agri Ventures Private Limited	48,527,275/ (6,653,581)	65,628,311/ (3,484,416)
	Reimbursement of Expense – CAP	272,022	8,309
Sl. No.	Particulars	31st March	31st March
	<b>Balances with Related Parties :</b>		
	Payable to Dharendra Kumar	201,199,961	9,265,249
	Receivable from Camson Agro Products Private Limited	-	8,309
	Receivable from Camson Farm Management Venture LLP	50,294	50,294
	Commission Payable to Veerendra Kumar Singh	-	1,463,267
	Due from Camson Agri Venture Private Limited	21,212,724	36,500,535
	Advance for Investment to Camson Agri Venture Private Limited	60,000,000	-
	Capital Advance recoverable from A N Singh	-	374,725,676



**29 Leases**

29.1 The Company has taken certain assets and office premises under cancelable operating leases. The total rental expense under cancelable operating leases during the year was Rs.7,567,703/- (P.Y. Rs.11,084,154/-).

29.2 The Company has entered into an un-registered agreement for Lease/License in respect of 34 acres of land from Mr. A N Singh, Director with effect from Jan 01, 2015 and paid Rs 415,725,676.53 (P.Y. Rs. 374,725,677/-) as lease consideration under Operating Lease Plan for a term of 99 Years. The agreement is not cancellable before the lease term and not renewable upon completion of the said term. The consideration amount is amortized over the lease period (Amortization amount charged for the 3 months period during the year Rs. 1,037,797/-, P.Y. – NIL)

**30 Earnings per Share (EPS)**

Earnings per share is calculated in accordance with Accounting Standard 20 – “Earnings per share”, notified by the Companies (Accounting Standards) Rules, 2006.

**Earnings per Share**

<b>Particulars</b>	<b>2014-15 Amounts in Rs.</b>	<b>2013-14 Amounts in Rs.</b>
Profit available for equity share holders	30,823,295	132,711,967
Weighted average no. of equity shares – Basic	28,703,786	23,480,657
Weighted average no. of equity shares–Diluted	28,703,786	28,127,389
Earnings per share – Basic	1.07	5.65
Earnings per share – Diluted*	1.07	4.72

\* Diluted EPS has been computed considering that all share warrants will be converted to equity as per terms of issue of the warrants.

**31 Deferred tax assets / (liabilities) comprise of:**

<b>Particulars</b>	<b>As on 01.04.2014</b>	<b>Change during the period</b>	<b>As on 31.03.2015</b>
On WDV of Fixed Assets	(8,935,294)	(17,358,202)	(26,293,496)
Employee benefit liabilities	689,852	559,930	1,249,782
Provision for Doubtful Debts	9,212,253	(1,965,492)	7,246,761
Amount on account of change in depreciation adjusted with retained earnings		(891,800)	
<b>Total</b>	<b>966,811</b>	<b>(19,655,564)</b>	<b>(17,796,953)</b>

**32. Discontinuing Operation**

“The Management of the Company intended to demerge its seeds division to Camson Seeds Limited through Court approved Scheme of Arrangement. In this process, the Management has obtained approval of the Court to conduct Meetings and Convened Meetings of shareholders and creditors on April 23, 2015 and complied with the directions of High Court of Karnataka. The Company has filed the voting results and outcome of the meeting with Stock Exchange (BSE). The Company has filed the Petition vide no 105/2015 with Honorable. High Court of Karnataka and awaiting Approval. Affect in the accounts will be accordingly given in the ensuing financial year”.

On approval of the Scheme by the Honorable High Court, shareholders of Camson Bio Technologies Limited will get one equity share of Camson Seeds Limited for every share held in Camson Bio Technologies Limited.

The summary of profit and loss account and Assets & Liabilities of discontinuing operation is as follows

(Amount in Rs)

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Revenue	1,094,305,517	1,026,012,151
Other Income	25,678,644	372,244
Cost of Material Consumed	672,401,389	623,363,388
Employee Benefit cost	35,157,256	29,103,989
Depreciation	55,372,217	29,880,680
Finance Cost	26,406,141	27,256,109
Other Expenses	281,743,050	162,298,560
Net Profit	48,904,108	154,481,669

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Assets		
Non-Current Assets	167,628,898	160,996,207
Current Assets	1,386,125,584	1,049,812,912
Total Assets	1,553,754,482	1,210,809,119
Liabilities		
Non-current Liabilities	9,293,195	6,549,314
Current Liabilities	94,258,500	34,011,205
Total Liabilities	103,551,695	40,560,519

**33 Research and Development (R&D) Expenditure**

Incurred at R&amp;D Center recognized by DSIR located at Doddaballapur

(Amount in Rs.)

<b>DSIR Revenue Expenses</b>	<b>R&amp;D Centre Doddaballapur 31<sup>st</sup> March 2015*</b>	<b>31<sup>st</sup> March 2014<sup>#</sup></b>
Research & Development Expenses (comprising clinical trial expenses, patent fees etc)	22,192,369	5,965,235
Employee Benefit Expenses	35,864,789	16,353,770
Lab Consumables	2,121,656	1,332,021
Professional Charges	263,327	20,140
Microbial Germplasm/ Breeder Seed Development	13,45,69,811	95,485,907
<b>Total Revenue Expenditure</b>	<b>19,50,11,952</b>	<b>119,157,073</b>
<b>DSIR Capital Expenditure</b>		
Plant & Machinery	2,614,736	1,424,850
Office Equipment	234,275	-
Product Development Cost		320,617,067
<b>Total Capital Expenditure</b>	<b>2,849,011</b>	<b>322,041,917</b>
Less: Sales proceeds (Income of R&D center)	-	-
<b>Total Revenue and Capital Expenditure</b>	<b>19,78,60,963</b>	<b>441,198,990</b>

\* In the opinion of the management, the above expenditure is eligible for the purpose of claiming deduction under section 35(2AB) of the Income Tax Act, 1961. Being this matter is technical in nature, the Auditors' have also relied upon the same

# For Disclosure purpose.

**34 Contingent Liabilities**

Corporate Guarantee issued in respect of borrowings availed by subsidiary companies Rs. 22 Crores (P.Y. NIL).

**35 ADDITIONAL DISCLOSURES:**

35.1 Foundation Seeds are the most important input towards production of hybrid seeds. Certain important aspect of a foundation seeds production is the isolation that has to be maintained. These isolations are to be regulated very carefully so as to avoid the cross pollination of the seeds, It is valued very high due to significant nature of the stringent steps taken for production of seeds. The Government of India has mentioned certain isolation distances for each crop & all the companies adhere to same formula. Generally foundation seeds have an expected life of 5-10 years. (Refer Note No. 2.6)



35.2 During the year, 4,774,327 lakh warrants issued in earlier years have been converted into equity shares as per terms of issue of such warrants. Out of that 1,674,327 equity shares allotted to Bio Harvest Pte. Limited (Foreign Investor) @ Rs. 198.86 per warrant and 700,000 to Ms. Reeya Singh (Daughter of Managing Director) @ Rs. 70 per warrant and remaining 2,400,000 warrant converted into equity share @ Rs. 70/- per warrant and issued to other investors

35.3 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties had been identified on the basis of information available with the Company in this regard.

Particulars	2014-2015		2013-14	
	Principal	Interest	Principal	Interest
Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil

This information has been compiled based on the details available with the Company.



- 35.4 Earnings in foreign currency from export of products is Rs 6, 14,697.85/- (P.Y. Nil)  
Expenditure in foreign currency towards travelling expenses is Rs. 1,824,240/- (P.Y. Rs. 1,029,628/-).
- 35.5 Claims against company not acknowledged as debts Rs.6, 92,688/-(P.Y. Rs. 6,92,688/-).
- 35.6 The soft loan and interest there on to Rs 80.04 lakhs due to the NHB is written back in current year and shown under other income, in the absence of any claim from NHB.( The Honorable Court of Civil Judge (SR.DN), Doddaballapur vide their order dated 8<sup>th</sup> December 2009 closed the case filed by the National Horticulture Board (NHB) to recover the Loan of Rs. 69.00 lakhs and interest thereon from the Company).
- 35.7 During the year, the Company had received demand for additional Income-tax from the department for the AY 2012-13 for Rs.3,08,17,780 (including interest of Rs. 76,59,591). Company has agreed for the same and accordingly provision has been made in the books.
- 35.8 The Company has reclassified previous year figures to confirm to this year's classification.
- 35.9 The figures in brackets represent previous year's figures.

As per our report of even date

For and on behalf of the Board of Directors of  
Camson Bio Technologies Limited

for B K Khare & Co.  
Chartered Accountants  
Firm Registration No.: 105102W

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No. 044784

Sd/-  
**Dhirendra Kumar**  
Managing Director  
(DIN – 00301372)

Sd/-  
**Santosh Nair**  
Chief Executive Officer

Sd/-  
**A N Singh**  
Director  
(DIN – 00296396)

Place : Bangalore  
Date : 19.05.2015



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**Consolidated  
Auditors' Report**

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## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Camson Bio Technologies Limited**

### **Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements (the “Consolidated Financial Statements”) of **Camson Bio Technologies Limited** (“the Company”) and its subsidiaries; (the Holding Company and its subsidiaries together referred to as “**the Group**”), comprising the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

### **Management’s Responsibility for the Consolidated Financial Statements**

2. The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditors’ Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and





disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
9. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Group did not have any material foreseeable losses on long—term contracts including derivative contracts.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

**Other Matters**

- 10. We did not audit the financial statements of subsidiaries whose financial statements reflect total assets of Rs. 3221.07 lacs as at March 31, 2015, total revenues of Rs. 3404.69 lacs, and net cash outflows amounting to Rs 0.43 lacs, respectively for the year then ended as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion insofar as it relates to these financial statements, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **B. K. Khare & Co.**

Chartered Accountants

Firm's Registration Number 105102W

Sd/-

Padmini Khare Kaicker

Partner

Membership Number: 044784

Dated May 19, 2015

Place, Bangalore



**Annexure to the Auditor’s Report referred to in Para 8 under ‘Report on Other Legal and Regulatory Requirements’ in our report of even date:**

- i. (a) The Group Companies in India have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.  
(b) The fixed assets of the Holding and Subsidiary Companies have been physically verified by the Management during the year. The discrepancies noticed, if any on such verification were not material and have been properly dealt with in the books of account.
- ii. (a) Physical verification of inventory was conducted by the management at reasonable interval during the year.  
(b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Group and nature of its business.  
(c) In our opinion and according to the information and explanation given to us, the Group is maintaining proper records of inventory and discrepancies noticed on physical verification by the Management have been properly adjusted in the books of account.
- iii. There are no companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the said order are not applicable to the Group Companies in India.
- iv. In our opinion and according to the information and explanations given to us, the Group companies in India are having an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. On the basis of our examination of the books and records of the Holding and Subsidiary Companies and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system..
- v. The Group companies in India have not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and rules framed thereunder to the extent notified. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court of any other tribunal on the said part of the Group.
- vi. We have broadly reviewed the books of accounts maintained by the Holding Company pursuant to the rules made by the central government for the maintenance of cost records under section 148 1(d) of the Companies Act 2013 in respect of fertilizer products and of the opinion that prima facie the prescribed accounts and records have been made and maintained. For Subsidiary companies, no such records have been prescribed.
- vii. (a) According to the records of the Group Companies in India and information and explanations given to us, the Group Companies in India are generally regular in depositing undisputed statutory



dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax, Service tax, duty of customs, duty of excise, Value added tax, cess and any other applicable statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable except for subsidiary company for an amount of Rs. 23,894 representing Tax deducted at Source under Income tax Act and Rs. 32,028 on account of Profession Tax which are due for more than 6 months.

- (b) According to information and explanation given to us, no undisputed amounts payable in respect of Income tax, Sales tax, Service tax, Custom duty, Excise duty and cess were in arrears as on 31st March 2015 for a period more than six month from the date they become payable.
  - (c) There are no amounts required to be transferred by the Group Companies in India to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made there under.
- viii. The Holding Company has no accumulated losses at the end of the financial year and the company has incurred cash losses in current financial year as well as in the immediately preceding financial year.

The Subsidiary companies have been registered for less than five year and therefore this clause is not applicable to the Subsidiary companies.

- ix. Based on our audit procedures and as per information and explanations given by the Management, we are of the opinion that Company has not defaulted in repayment of dues to a bank except in case of subsidiary company and details are below:

**Camson Agro Products Private Limited:**

Particulars as referred to in Note 5 of Financial Statements	Interest overdue	Overdue since	Principal overdue	Overdue since	Total Overdue
<b>Bank of Maharashtra</b>					
Term Loan 1	64,508	31/12/14	279,667	30/09/14	344,175
Term Loan 2	-	-	27,108	30/09/14	27,108
Term Loan 3	1,945,288	31/07/14	3,816,111	31/07/14	5,761,399
<b>Financial Institution</b>					
SFAC	-	-	1,486,000	30/09/14	1,486,000

Overdrawn amounts under Cash Credit facilities from Bank of Maharashtra as on 31.03.2015.

Particulars	Overdrawn Amount
Cash Credit -1	57,078
Cash Credit -2	124,286

**Camson Agri-Ventures Private Limited:**

<b>Particulars</b>	<b>Overdrawn Amount</b>
Cash Credit from Corporation Bank	425,557

- x. According to the information and explanations given to us, the Group Companies in India have not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company.
- xi. In our opinion, and according to the information and explanations given to us, during the year, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Group companies in India, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Group companies in India, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **B. K. Khare & Co.**

Chartered Accountants

Firm's Registration Number 105102W

Sd/-

Padmini Khare Kaicker

Partner

Membership Number: 044784

Dated May 19, 2015

Place, Bangalore



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**Consolidated  
Financial Statements**

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**CAMSON BIO TECHNOLOGIES LIMITED**
**Consolidation Balance Sheet as at 31st Mar 2015**

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No.	As at 31-Mar-15		As at 31-Mar-14	
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	<b>Shareholders' funds</b>					
	Share capital	3	299,998,400		252,255,130	
	Reserves and surplus	4	2,332,464,772		1,790,422,086	
	Money received against share warrants		-	2,632,463,172	231,104,000	2,273,781,216
<b>2</b>	<b>Share application money pending allotment</b>					
	<b>Minority Interest</b>			29,269,493	-	2,649,097
	<b>Non-current liabilities</b>					
	Long term borrowings	5	72,555,850		119,454,701	
	Other long term liabilities	6	24,497,396		19,173,571	
	Deferred tax liabilities (Net) (refer note 32)		17,796,953		-	
	Long term provisions	7	9,385,807	124,236,006	5,415,491	144,043,763
	<b>Current liabilities</b>					
	Short term borrowings	8	384,062,571		251,238,206	
	Trade payables	9	205,591,258		110,223,611	
	Other current liabilities	10	73,185,205		89,843,857	
	Short term provisions	11	28,474,712	691,313,746	41,092,079	492,397,753
	<b>TOTAL</b>			<b>3,477,282,417</b>		<b>2,912,871,829</b>
<b>II</b>	<b>ASSETS</b>					
	<b>Non-current assets</b>					
	Fixed assets					
	Tangible assets	12	1,241,764,401		775,576,657	
	Intangible assets	12A	291,941,091		320,568,528	
	Work in Progress		-		98,658	
	Intangible Asset under Development		95,250		-	
	Good will on consolidation		25,449		25,449	
	Non-current investments	13	18,000		18,000	
	Deferred tax assets (Net) (Refer note 32)		-		1,098,508	
	Long term loans & advances	14	17,416,591	1,551,260,782	408,135,300	1,505,521,100
	<b>Current assets</b>					
	Inventories	15	279,710,110		404,148,905	
	Trade receivables	16	1,577,491,083		935,457,499	
	Cash & cash equivalents	17	14,564,161		19,562,401	
	Short term loans & advances	18	54,256,281		48,181,924	
	Other current assets		-	1,926,021,635	-	1,407,350,729
	<b>TOTAL</b>			<b>3,477,282,417</b>		<b>2,912,871,829</b>
	Summary of significant accounting policies	1 & 2				

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Camson Bio Technologies Limited

for B K Khare &amp; Co.

Chartered Accountants

Firm Registration No.: 105102W

Sd/-

Padmini Khare Kaicker

Partner

Membership No. 044784

Sd/-

Dhirendra Kumar

Managing Director

(DIN – 00301372)

Sd/-

Santosh Nair

Chief Executive Officer

Sd/-

A N Singh

Director

(DIN – 00296396)

Place : Bangalore

Date : 19.05.2015


**CAMSON BIO TECHNOLOGIES LIMITED**
**Consolidated Statement of Profit and Loss for the year ended as on 31st Mar 2015**

(All amounts expressed in Indian Rupees)

Sl. No	Particulars	Note No	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
1	<b>INCOME</b>					
	Revenue from Operations	19		2,030,201,667		1,908,916,147
	Other Income	20		64,226,908		5,331,843
	<b>Total Revenue</b>			<b>2,094,428,575</b>		<b>1,914,247,990</b>
2	<b>EXPENSES</b>					
	Cost of Cultivation/ Materials Consumed	21		371,617,650		210,456,321
	Purchase of Stock-in-Trade			540,779,057		932,097,892
	(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22		154,312,330		(33,276,237)
	Other Operating expenses	23		10,008,177		-
	Employee Benefit Expenses	24		153,039,957		93,515,920
	Financial Costs	25		50,912,516		38,759,360
	Depreciation and Amortization Expense	12		139,967,331		51,136,783
	Other Expenses	26		652,881,813		459,027,908
	<b>Total Expenses</b>			<b>2,073,518,831</b>		<b>1,751,717,947</b>
	<b>Profit Before Exceptional item and tax</b>			20,909,744		162,530,043
	Exceptional item - write down of inventory			-		35,630,025
	<b>Profit Before Tax</b>			<b>20,909,744</b>		<b>126,900,018</b>
	Tax Expense:					
	Current tax			-	4,372,736	
	Current tax relating to prior years (net)			-	130,630	
	MAT Credit (entitlement)			-	-	
	Deferred tax charge/(credit)		19,787,261	<b>19,787,261</b>	(9,293,677)	<b>(4,790,311)</b>
	Net Profit after tax for the year			<b>1,122,483</b>		<b>131,690,329</b>
	Minority Interest			(10,664,905)		(87,949)
	Minority Interest on CAV consolidation			(7,567,714)		
	Net Profit after Taxes, Minority interest			<b>19,355,102</b>		<b>131,778,278</b>
	Earning per Equity Share:					
	Basic			0.67		5.61
	Diluted			0.67		4.79
	Summary of Significant accounting policies	1 & 2				

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Camson Bio Technologies Limited

 for B K Khare & Co.  
 Chartered Accountants  
 Firm Registration No.: 105102W

 Sd/-  
 Padmini Khare Kaicker  
 Partner  
 Membership No. 044784

 Sd/-  
 Dharendra Kumar  
 Managing Director  
 (DIN – 00301372)

 Sd/-  
 Santosh Nair  
 Chief Executive Officer

 Sd/-  
 A N Singh  
 Director  
 (DIN – 00296396)

 Place : Bangalore  
 Date : 19.05.2015





**CAMSON BIO TECHNOLOGIES LIMITED**

**Consolidated Cash Flow for The Year Ended 31st March 2015**

(All amounts expressed in Indian Rupees )

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash Flow from Operating Activities</b>				
Profit / (Loss) before taxation		20,909,744		126,900,018
Adjustments for:				
Depreciation and amortisation	139,967,331		51,136,783	
Interest income on deposits	(508,188)		(7,138)	
Loss on sales of Fixed Assets	-		72,935	
Profit on sale of fixed assets	(128,406)		-	
Interest Expenses on borrowings	49,461,602		33,925,653	
ESOP Amortisation Expenses	32,876		-	
Bad debts written off	-		28,164,492	
Excess provision written back	(36,097,839)		-	
Written back of Loan	8,004,000		-	
Provision for doubtful debts	106,320,979		58,881,026	
		267,052,355		172,173,751
<b>Operating profit before working capital changes</b>		<b>287,962,099</b>		<b>299,073,769</b>
<b>Changes in Working Capital:</b>				
Increase / (Decrease) in trade payables and liabilities	84,032,820		(103,152,196)	
Increase / (Decrease) in provisions	46,758,637		(7,868,035)	
(Increase) / Decrease in trade receivables	(748,354,563)		(216,682,902)	
(Increase) / Decrease in inventories	124,438,795		(8,271,546)	
(Increase) / Decrease in loans and advances	384,644,352		(132,583,070)	
(Increase) / Decrease in current assets	-	(108,479,959)	-	(468,557,749)
Taxes paid		<b>10,204,740</b>		5,781,022
<b>Net cash used in operating activities</b>		<b>189,686,880</b>		<b>(163,702,958)</b>
<b>B. Cash flow from Investing Activities:</b>				
Purchase of tangible/intangible assets including Capital work in progress	(587,962,230)		(346,072,429)	
Investment in capital by minority in subsidiary company	44,853,010			
Sale Proceeds of tangible assets	596,000		170,000	
Interest received on deposits	508,188		7,138	
<b>Net cash used in investing activities</b>		<b>(542,005,032)</b>		<b>(345,895,291)</b>
<b>C. Cash flow from Financing Activities</b>				
Proceeds on issue of Share warrant			112,104,000	
Proceeds on issue of Equity shares	318,860,000		441,421,999	
Payment of Dividend including dividend distribution tax	-		(21,211,194)	
Interest paid	(49,461,602)		(33,118,827)	
Proceeds from Borrowings	242,127,719		150,253,611	
Repayment of borrowings	(164,206,205)		(137,169,852)	
<b>Net cash used in Financing Activities</b>		<b>347,319,912</b>		<b>512,279,737</b>
<b>Net increase in cash and cash equivalents</b>		<b>(4,998,240)</b>		<b>2,681,498</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>19,562,401</b>		<b>16,880,903</b>
<b>Cash and Cash equivalents at the end of the year (Refer note.: 17)</b>		<b>14,564,161</b>		<b>19,562,401</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Camson Bio Technologies Limited

for B K Khare & Co.  
Chartered Accountants  
Firm Registration No.: 105102W

Sd/-  
Padmini Khare Kaicker  
Partner  
Membership No. 044784

Sd/-  
Dhirendra Kumar  
Managing Director  
(DIN – 00301372)

Sd/-  
Santosh Nair  
Chief Executive Officer

Sd/-  
A N Singh  
Director  
(DIN – 00296396)

Place : Bangalore  
Date : 19.05.2015


**3 SHARE CAPITAL**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Number	Amounts in INR	Number	Amounts in INR
<b>Authorised</b>				
Equity Shares (see 'a' below)	35,000,000	350,000,000	35,000,000	350,000,000
<b>Issued</b>				
Equity Shares (see 'a' below)	29,999,840	299,998,400	25,225,513	252,255,130
<b>Subscribed and fully paid</b>				
Equity Shares (see 'a' below)	29,999,840	299,998,400	25,225,513	252,255,130
<b>Total</b>	<b>29,999,840</b>	<b>299,998,400</b>	<b>25,225,513</b>	<b>252,255,130</b>

- Par value per equity Share is Rs. 10 /=
- Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Number	Amounts in INR	Number	Amounts in INR
<b>Equity Shares</b>				
At the Beginning of the year	25,225,513	252,255,130	18,130,000	181,300,000
Add: Issued during the year	4,774,327	47,743,270	7,095,513	70,955,130
At the End of the year	29,999,840	299,998,400	25,225,513	252,255,130

- Terms / rights attached to equity shares

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.

- Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	No. of shares held	% of holding	No. of shares held	% of holding
Dhirendra Kumar	1,944,680	6.48	1,944,680	7.71
Shastika Health Resort & SPA Private Ltd	2,790,000	9.30	2,790,000	11.06
Bio Harvest Pte. Ltd.	5,869,840	19.57	4,195,513	16.63

- Shares reserved for issue under option and contract/commitments.
  - The Company has granted 1,499,990 Stock Options under Employee Stock Option Plan 2012 to their eligible employees on its board meeting dated February 12, 2015. ( Refer Note 27.3)


**4 RESERVES & SURPLUS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>Capital Reserve</b>				
Balance as per last financial statement	21,121,135		21,121,135	
<b>Add:</b> Additions during the Year	-	21,121,135	-	21,121,135
<b>Securities Premium Account</b>				
Balance as per last financial statement	754,416,869		754,416,869	
<b>Add:</b> Arising/received on issue of shares during the year	502,220,730	1,256,637,599		754,416,869
<b>General Reserve</b>				
Balance as per last financial statement	212,362,915		212,362,915	
<b>Add:</b> Additions during the Year	-	212,362,915	-	212,362,915
<b>Surplus in Statement of Profit &amp; Loss</b>				
Balance as per last financial statement	802,521,167		700,255,478	
Profit for the Year	19,355,102		131,778,278	
	821,876,269		832,033,756	
<b>Appropriations</b>				
Adjusted from Fixed Assets	9,970,409		-	
Impact of deferred tax	891,800		-	
ESOP Amortisation	32,874		-	
Proposed Dividend on Equity Shares	(25,225,513)		25,225,513	
Corporate Dividend Tax	(4,287,076)		4,287,076	
Net surplus in Statement of Profit & Loss		842,343,123		802,521,167
<b>Total</b>		<b>2,332,464,772</b>		<b>1,790,422,086</b>

**5 LONG TERM BORROWINGS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>Term Loans</b>				
<b>a) From Bank: - Secured</b>				
Term Loan from Banks (Secured against hypothecation of Vehicles, with interest rate of 12 % repayable over 48 monthly installments commencing from 05.07.2012)		2,908,516		768,499
Term Loan -refer note below		-		106,780,005
<b>Secured Loans :</b>				
<b>From Banks</b>				
- Term Loans		32,410,368		-
- Vehicle Loans		826,334		-
- From Others		4,201,000		
<b>b) From Other Parties:</b>				
Long Term Borrowings from TATA Motors Finance Ltd (Secured against hypothecation of Vehicles, with interest rate of 11.50%)		-		169,229
Long Term Borrowings from Related Parties (Unsecured ,Interest free - repayable after 31st March 2016)		20,199,961		9,265,249
Long Term Borrowings from others (Unsecured ,Interest free - repayable after 31st March 2016)		27,165,075		29,111,548
<b>Total Long term borrowings</b>		<b>87,711,254</b>		<b>146,094,530</b>
<b>Less:</b> Current maturities of long term debt (refer note 10)		15,155,404		26,639,829
<b>Total</b>		<b>72,555,850</b>		<b>119,454,701</b>

There are two Term Loan on Car amounted to Rs. 2,471,639/- and Rs. 436,877/- having interest rate @ 10.25% p.a. and 11.25% p.a. which is repayable on 60 installment and 48 installment having last due date June 07, 2019 and May 05, 2016 respectively.

**6 OTHER LONG TERM LIABILITIES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
Trade Deposits received		24,497,396		19,173,571
<b>Total</b>		<b>24,497,396</b>		<b>19,173,571</b>

**7 LONG TERM PROVISIONS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
Provision for Gratuity (Refer note 27.1)		6,024,841		3,373,236
Provision for Leave Encashment (Refer note 27.2)		3,360,966		2,042,255
<b>Total</b>		<b>9,385,807</b>		<b>5,415,491</b>

**8 SHORT TERM BORROWINGS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>a) Loans repayable on demand</b>				
<b>i) From Banks (Secured):</b>				
Cash Credit facilities (Refer Note below)		282,143,920		194,073,683
Other Loan (Refer Note below)		100,457,286		49,160,523
<b>ii) From other parties, unsecured (Refer note 37.6)</b>		1,461,365		8,004,000
<b>Total</b>		<b>384,062,571</b>		<b>251,238,206</b>

The Cash credit and other loan facilities from are Secured by hypothecation of Stocks and Book Debts (Present & Future) of the Company and further Secured by equitable mortgage on the Land and Building situated at Plot No 6 A and B, Phase -4, Industrial Area, Gwalthai, Dist.: Bilaspur, Himachal Pradesh and land and building at Doddabalapur, Bangalore and carries interest rate of base rate + 2.2%



**9 TRADE PAYABLES**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
Due to Micro, Small and Medium Enterprises ( Refer Note 37.3)		-		-
Due to Others		205,591,258		110,223,611
<b>Total</b>		<b>205,591,258</b>		<b>110,223,611</b>

**10 OTHER CURRENT LIABILITIES**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
Current maturities of long term debts (refer note 5)		15,155,404		26,639,829
Interest accrued but not due on borrowings		2,269,555		2,042,505
Interest Accrued and Due on Borrowings		76,158		-
Interest accrued but not due on security deposit		-		796,887
Statutory payables		4,327,497		2,921,371
Advances From customers		23,549		236,600
Unclaimed dividend		1,585,777		1,618,172
Liabilities for Capital Assets		3,717,898		7,022,740
Payable to Employees		26,396,940		44,822,962
Other Liabilities		19,632,427		3,742,791
<b>Total</b>		<b>73,185,205</b>		<b>89,843,857</b>

**11 SHORT TERM PROVISIONS**

Particulars	As at		As at	
	31-Mar-15		31-Mar-14	
Provision for Gratuity (Refer Note 27.1)		1,903,708		1,666,333
Provision for Leave Encashment (Refer Note 27.2)		753,220		586,770
Proposed dividend		-		25,225,513
Corporate dividend tax		-		4,287,076
Provision for taxation (Net of advance tax)		25,817,784		9,326,387
		-		-
<b>Total</b>		<b>28,474,712</b>		<b>41,092,079</b>



**12. TANGIBLE ASSETS**

Particular	Gross Block			Depreciation/Amortization			Net Block		
	As at 1st April, 2014	Additions	Deductions during the Period	As at 31st March, 2015	As at 1st April, 2014	Charged for the Period	Written Back	As at 31st March, 2015	As at 31st March, 2014
Land - Freehold	22,280,945	-	-	22,280,945	-	-	-	22,280,945	22,280,945
Land -Leasehold	97,451,467	429,221,676	-	526,673,143	18,092,356	10,121,263	-	498,459,524	79,359,111
Land Development Cost	22,242,169	-	-	22,242,169	4,088,903	12,113,240	-	6,040,026	18,153,266
Building	265,314,335	61,777,949	7,950,540	319,141,744	36,003,521	23,360,370	-	259,777,853	229,310,814
Green House	8,951,987	-	-	8,951,987	8,951,987	-	-	8,951,987	-
Plant And Machinery	430,970,484	71,284,928	(337,635)	502,593,047	57,740,529	33,780,288	-	411,072,231	373,229,955
Office Equipment	15,930,775	618,900	1,071,426	15,478,249	3,396,666	4,303,085	-	7,778,498	12,534,109
Computer	4,575,710	556,889	1,096,345	4,036,254	1,790,883	1,045,657	-	1,199,714	2,784,827
Furniture & Fixtures	38,221,949	175,777	-	38,397,726	7,393,802	4,308,274	-	26,695,650	30,828,147
Vehicles	15,847,199	5,312,052.63	2,227,574	18,931,678	8,751,716	3,294,270	1,574,268	8,459,960	7,095,483
<b>TOTAL - A</b>	<b>921,787,020</b>	<b>568,948,172</b>	<b>12,008,250</b>	<b>1,478,726,942</b>	<b>146,210,363</b>	<b>92,326,447</b>	<b>1,574,268</b>	<b>1,241,764,401</b>	<b>775,576,657</b>
Previous Year Total - A	880,185,892	42,110,132	624,291	921,671,733	96,331,271	50,254,016	381,356	775,467,802	783,854,621

**12A. INTANGIBLE ASSETS**

Particular	Gross Block			Depreciation/Amortization			Net Block		
	As at 1st April, 2014	Additions	Deductions during the Period	As at 31st March, 2015	As at 1st April, 2014	Charged for the Period	Written Back	As at 31st March, 2015	As at 31st March, 2014
Software	908,876	49,849	4,021	954,704	204,497	435,362	-	314,845	704,379
Product Development Cost	320,617,067	-	-	320,617,067	752,917	45,802,438	-	274,061,712	319,864,150
Good Will	-	18,967,617	-	18,967,617	1,403,084	1,403,084	-	17,564,533	-
<b>TOTAL - B</b>	<b>321,525,943</b>	<b>19,017,466</b>	<b>4,021</b>	<b>340,539,388</b>	<b>957,414</b>	<b>47,640,884</b>	<b>-</b>	<b>291,941,090</b>	<b>320,568,529</b>
Previous Year Total - B	413,481	321,112,462	-	321,525,943	81,079	876,335	-	320,568,529	332,402
<b>GRAND TOTAL ( A+B)</b>	<b>1,243,312,963</b>	<b>587,965,638</b>	<b>12,012,271</b>	<b>1,819,266,330</b>	<b>147,167,777</b>	<b>139,967,331</b>	<b>1,574,268</b>	<b>1,533,705,491</b>	<b>1,096,145,186</b>
PREVIOUS YEAR	880,599,373	363,222,594	624,291	1,243,197,676	96,412,350	51,130,351	381,356	1,096,036,331	784,187,023


**13 NON CURRENT INVESTMENTS**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>Trade Investment (unquoted)</b>				
Investment in Equity shares:				
Investment in 6500 shares of face value of Rs.10 each in Subsidiary Company M/s Camson Agri Venture Private Limited		-		-
		-		-
<b>Other Investments ( unquoted)</b>				
Investment in Government/Trust Securities		18,000		18,000
<b>Total</b>		<b>18,000</b>		<b>18,000</b>

**14 LONG TERM LOANS AND ADVANCES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
<b>Unsecured, considered Good:</b>				
Capital advances		3,574,162		1,959,315
Capital advances to related party (Refer Note 30.2)		-		374,725,677
Advance against Proposed Investment pending Allotment of Securities		568,745		19,957,000
Deposits		6,741,063		4,960,687
MAT credit entitlement		6,532,621		6,532,621
<b>Other Advance</b>				
Advance for Investment in Camson Agri Ventures Private Limited		-		
<b>Total</b>		<b>17,416,591</b>		<b>408,135,300</b>

**15 INVENTORIES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
Raw materials		15,842,500		8,137,796
Foundation seeds		65,887,331		97,527,442
Work in progress		43,447		4,102,897
Finished goods		175,241,676		133,570,198
Packing materials		22,695,156		10,895,405
Stock in Trade		-		149,915,167
<b>Total</b>		<b>279,710,110</b>		<b>404,148,905</b>


**16 TRADE RECEIVABLES**

Particulars	As at	
	31-Mar-15	31-Mar-14
<b>Unsecured,</b>		
Trade Receivables outstanding for a Period Exceeding Six months from the date they are due for payment	1,794,597	
Considered Good	656,303,754	346,607,202
Considered Doubtful	106,173,748	58,881,026
<b>Sub Total</b>	764,272,099	405,488,228
<b>Less: Provision for Doubtful Debts</b>	106,320,979	58,881,026
	657,951,120	346,607,202
Others - Considered Good	919,539,963	588,850,297
<b>Total</b>	<b>1,577,491,083</b>	<b>935,457,499</b>

**17 CASH AND BANK BALANCES**

Particulars	As at	
	31-Mar-15	31-Mar-14
<b>Cash and Cash Equivalents:</b>		
Cash on Hand	155,855	122,672
Balance with Banks in Current accounts	5,904,569	17,637,571
Matured Fixed deposits	172,800	
<b>Other Bank Balances</b>		
In Margin Deposit	6,745,560	184,386
Unclaimed Dividend Balance	1,585,377	1,617,772
<b>Total</b>	<b>14,564,161</b>	<b>19,562,401</b>

**18 SHORT TERM LOANS AND ADVANCES**

Particulars	As at	
	31-Mar-15	31-Mar-14
<b>Other loans &amp; advances</b>		
<b>Unsecured, Considered Good</b>		
Advance to suppliers and parties for cultivation	48,876,882	42,687,180
Advances to related parties	82,195	53,103
Trade /Security deposits	575,400	210,000
Tender Deposits - With Government Authorities	-	1,945,876
Employee advances	1,713,206	2,161,711
Interest Accrued	208,406	3,635
Prepaid expenses	1,014,718	1,120,419
Tax refunds	208,252	-
Income Tax refunds	142,972	-
VAT Refunds	1,434,250	-
<b>Total</b>	<b>54,256,281</b>	<b>48,181,924</b>





**19 REVENUE FROM OPERATIONS**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Sale of Products		2,030,201,667		1,908,916,147
<b>Details of Products Sold:</b>				
Seeds		954,915,007		667,874,026
Agricultural Biotech Products		602,746,327		430,265,702
Trading of Seeds		422,687,823		807,614,057
Sale of Products		46,314,501		-
Sales of Services		3,538,009		-
		-		3,162,362
<b>Total</b>		<b>2,030,201,667</b>		<b>1,908,916,147</b>

**20 OTHER INCOME**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Excess provision written back		44,101,839		3,142,994
Interest Income		508,188		-
Insurance claim received		-		-
Other Income		19,435,885		2,181,711
Prior period income		52,590		-
Profit on Sales of Fixed Assets		128,406		7,138
<b>Total</b>		<b>64,226,908</b>		<b>5,331,843</b>

**21 COST OF CULTIVATION/ MATERIALS CONSUMED**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Cultivation expenses		222,350,242		163,393,522
Raw materials consumed		95,760,943		26,215,367
Packing materials consumed		51,564,022		19,667,299
Carriage inward		1,942,443		1,180,133
		371,617,650		210,456,321


**22 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
<b>Inventories at the end of the Year</b>				
Foundation Seeds		101,517,356		133,157,467
Work in Progress		-		4,102,897
Finished Goods/Work in Progress		176,490,252		133,570,198
Stock in Trade		-		149,915,167
		<b>278,007,608</b>		<b>420,745,729</b>
<b>Inventories at the beginning of the year</b>				
Foundation Seeds		133,157,467		162,513,638
Work in Progress		-		-
Finished Goods/Work in Progress		137,723,943		224,955,854
Stock in Trade		149,915,167		-
Stock taken over from CAP as on 17.11.2014		11,523,361		-
		<b>432,319,938</b>		<b>387,469,492</b>
<b>(Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		<b>154,312,330</b>		<b>(33,276,237)</b>

**23 OTHER OPERATING EXPENSES**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Power & Fuel		3,099,787		-
Freight inward		5,506,703		-
Hygeine charges		554,432		-
Cold Storage Charges		637,132		-
Chemicals		210,123		-
<b>Total</b>		<b>10,008,177</b>		<b>-</b>

**24 EMPLOYEE BENEFIT EXPENSES**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Salaries, wages and allowances		141,984,526		90,076,390
Contribution to provident & other funds		9,628,586		2,245,624
Staff welfare expenses		1,426,845		1,193,906
<b>Total</b>		<b>153,039,957</b>		<b>93,515,920</b>



**25 FINANCIAL COSTS**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Interest on Cash credit/working capital		30,336,291		17,373,281
Interest Paid on term loan		5,014,963		14,155,394
Interest on Income tax		-		-
Interest on others		14,110,348		4,439,483
Bank charges		1,450,914		2,791,202
<b>Total</b>		<b>50,912,516</b>		<b>38,759,360</b>

**26 OTHER EXPENSES**

Particulars	For the Year Ended 31-Mar-15		For the Year Ended 31-Mar-14	
Geo-climatic trial expense		72,433,520		41,059,402
Labour charges		3,660,519		4,239,343
Power, fuel & water		5,926,198		5,564,022
Repairs & maintenance:		-		-
Building		1,593,847		1,186,392
Plant & machinery		2,166,491		450,451
Others		3,329,522		2,913,220
Rent & hire charges		5,741,171		5,544,305
Rates & taxes		4,195,288		5,375,403
Insurance		2,000,046		1,413,589
Travelling & conveyance		69,888,517		53,620,264
Communication expenses		3,649,504		2,705,858
Postage & courier charges		1,488,356		664,734
Printing & stationery		4,963,181		3,335,946
Legal & professional fees		14,405,478		14,732,764
Auditors' remuneration		786,520		674,160
Director's sitting fee		19,732		18,402
Freight		42,503,793		26,251,617
Rebate & discounts		124,092,152		52,958,505
Business promotion		206,181,625		140,366,451
Product Testing Charges		2,401,695		-
Provision for doubtful debts		47,726,846		58,881,026
Provision for doubtful advances to creditors		70,500		-
Bad and doubtful debts written off		43,726		28,164,492
Income Tax		23,520,146		-
Miscellaneous		10,093,440		8,907,562
<b>Total</b>		<b>652,881,813</b>		<b>459,027,908</b>
<b>Remuneration to Auditor</b>				
<b>As Auditor</b>				
Audit Fees		400,000		400,000
Limited review		300,000		200,000
Out of pocket expense and Service Tax		86,520		74,160
		786,520		674,160



**CAMSON BIO TECHNOLOGIES LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(All amounts expressed in Indian Rupees)

**1. GROUP INFORMATION**

Camson Bio Technologies Limited ('the Company') is in the field of bio technology focused on cultivation of hybrid seeds and manufacture of effective, safe and environmentally friendly natural pest management products for the agricultural markets and its subsidiary Camson Agri-Ventures Private Limited engaged in the Business of Agriculture and Horticulture Farm Management, Trading Marketing and Distribution of Agriculture produce, Agricultural Commodities, Agriculture Inputs, Farm Infrastructure Inputs and to carry the business of Agri Supply Chain Management and Food Processing.

**2. SIGNIFICANT ACCOUNTING POLICIES :**

**2.1 a) Basis of Consolidation**

The Consolidated financial statements relate to Camson Bio Technologies Limited ('the Company) and it's Subsidiary Camson Agri-Ventures Private Limited (together called as 'Group'). The consolidated Financial Statement have been prepared in accordance with Accounting standard 21 (AS 21) " Consolidated Financial Statements" notified by the Companies (Accounting standard ) Rules,2014. The Consolidated Financial Statement have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary has been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in un realized profit or losses
- ii) The Consolidated Financial Statements include the interest of the company in Joint Ventures, which have been accounted for using the proportionate consolidation method of accounting and reporting whereby the company's share of each of the assets, liabilities, income and expenses of jointly controlled entity is consolidated.
- iii) The excess of cost to the Company of its investments in the subsidiary companies / joint ventures over its share of equity of the subsidiary companies / joint ventures, at the dates on which the investments in the subsidiary companies / joint ventures are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies / joint ventures as on the date of investment is in excess of cost of investment of the Company, it is shown under the head 'Reserves and Surplus', in the consolidated financial statements.



- iv) Minority interest in the Net Asset of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders as on the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity subsequent to the dates of investments as stated above.

The financial statements of the subsidiary, in the consolidation are drawn up to the same reporting date as the Company i.e. 31st March 2015.

Name of Subsidiary	Nature of Interest	Proportion of Ownership Interest for Current Year	Proportion of Ownership Interest for Previous Year
Camson Agri-Ventures Pvt. Ltd.	Subsidiary	65%	65%
Camson Agro Products Pvt. Ltd.*	Subsidiary	33.15%	65%
CAV Chepyala Farms *	Camson Agri-Ventures Private Limited 's Joint Venture	32.43%	32.57%

\*Effective holding % of the company as these are subsidiary/Joint Venture of Camson Agri- Ventures Private Limited.

## 2.2 Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the period under review. Although these estimates are based upon the Managements best knowledge of current events and actions, actual results could differ from these estimates.

## 2.3 Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, expenses incidental to the installation of the assets, cost of bringing the asset to its working condition for its intended use and attributable borrowing costs. Capital Work-in Progress comprises cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. Intangible assets are recorded at the consideration paid for their acquisition.

## 2.4 Depreciation / Amortization:

Depreciation is provided, pro rata for the period of use, by the straight line method (SLM), based on management's estimate of useful lives of the fixed assets at the following annual rates which are higher than the SLM rates prescribed in Schedule II to the Companies Act 2013.



Poly House has been depreciated over a period of ten years. Intangible assets are depreciated over the license period or estimated useful life in the range of 3 to 6 years, whichever is lower. Depreciation on additions/deletions during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs.5,000/- each are fully depreciated.

Amortization on Leasehold improvements has been done in proportion to the period of lease. Land development cost is being amortized over 10 years.

Product development costs are amortized over a period of 84 months.

The Company has revised depreciation rates on fixed assets effective April 1, 2014 in accordance with requirement of schedule II of Companies Act 2013 (“the Act”). The remaining useful life has been revised by adopting standard useful life as per the Companies Act, 2013. Consequent upon such change the depreciation amounting to Rs.90.78 lakhs (net of deferred tax of Rs. 8.91 lakhs) has been adjusted against reserves in respect of assets which have already completed their useful lives before April 2014 and for other assets depreciation has been charged based on their remaining useful life. Had the company continued with the previously assessed useful lives, the charge for depreciation would have been lower by Rs. 353 Lakhs for the year ended 31st March 2015.

## 2.5 Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost, except for other than temporary diminution in value, if any, are provided for.

## 2.6 Inventories:

- a. Inventories comprises of Raw Material, Stores, Spares and Consumables, Packing Materials, Work-in Process including foundation seeds 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, raw materials, stores, spares, consumables, and packing materials are valued at lower of cost and net realizable value on FIFO basis. 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) Finished Goods and Work-in-Progress are valued at lower of cost and net realizable value. Cost includes direct materials and labour expenses and apportion of manufacturing overheads based on normal operating capacity determined using the



retail method. Cost also includes a portion of the research expenses which in the opinion of the management attribute to the development of these seeds.

(iii) Foundation seeds which are meant for production are valued at cost. (Refer Note No. 37.1)

## **2.7 Employee Benefits:**

### **a. Post-employment benefit plans :**

Contribution to defined contributory retirement benefit schemes are recognized as an expense when employees have rendered services entitling them to contributions. For defined benefit schemes, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet Date. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

### **b. Short Term Employee Benefits:**

The amount payable on account of short term employee benefits comprising largely of salaries and wages, annual bonus/ incentives etc. is valued on an undiscounted basis and charged to the Statement of profit & loss for the year.

### **c. Other long term Employee Benefits:**

The employees **are** entitled to accumulate leave subject to certain limits for future availment. The liabilities for such compensated absence are provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

## **2.8 Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

### **a. Sale of Goods:**

Revenue from sale of goods is recognized when significant risk and rewards of the ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customer and when there is no significant uncertainty regarding the consideration that will be derived from the sale of goods.

### **b. Interest Income:**

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

## **2.9 Research And Development:**

Revenue expenditure is charged to Statement of Profit and Loss in the year in which it is incurred.

**2.10 Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of asset up to the date such asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

**2.11 Taxation:****a. Current Tax:**

Provision for current taxation has been made in accordance with the Income Tax laws applicable to the assessment year.

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

In case the company is liable to pay income tax u/s 115JB of income tax Act,1961 (MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

**c. Deferred Tax:**

The deferred tax asset and deferred tax liability is calculated by applying tax rate that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax asset on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date the carrying amount of deferred tax assets are reviewed.

**2.12 Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price or value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

**2.13 Foreign Currency Transactions:**

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.

#### **2.14 Operating 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.

#### **2.15 Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

#### **2.16 Accounting for Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined as best estimates required settling the obligation at the Balance Sheet date.

Contingent Liabilities are disclosed by way of notes to accounts in case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle that obligation;
- A present obligation when no reliable estimate is possible; and
- A possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements.

### **27 Employee Benefits**

#### **27.1 Retirement Benefit Plans:**

- Defined contribution plans:

The Company makes Provident Fund contribution to defined contribution plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 4,805,606/- (Rs. 2,083,725/-) for provident fund contributions in the Statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the respective scheme.



b) Defined benefit plans:

The Company makes provision for Employees’ Gratuity Scheme for eligible employees. The scheme provides for lump sum payment to eligible employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Eligibility occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at the balance sheet date

The following table sets out the details of the gratuity plan and experience adjustments amounts recognized in the Group’s financial statements as at March 31, 2015:

Particulars	Year Ended	
	31.03.2015	31.03.2014
Present Value of Funded Obligation	-	-
Fair Value of Plan Assets	-	-
Present Value of Unfunded Obligation	7,928,549	5,039,569
Unrecognized Past Service Cost	-	-
Amount not Recognized as on Assets (limit as Para 59(b))	-	-
<b>Net Liability</b>	<b>7,928,549</b>	<b>5,039,569</b>
<b><u>Amount in Balance Sheet</u></b>		
Liabilities		7,928,549
5,039,569		
Assets	-	-
<b>Net Liability is bifurcated as follows:</b>		
Current	1,903,708	1,666,333
Non-Current	6,024,841	3,373,236
<b>Net Liability</b>	<b>7,928,549</b>	<b>5,039,569</b>
<b><u>Expenses to be Recognized in Statement of Profit and Loss</u></b>		
Current Service Cost	1,325,710	1,236,729
Interest on Defined Benefit Obligation	505,944	421,946
Expected Return of Plan Assets	NA	NA
Net Actuarial Losses/ (Gain) Recognized in Year	1,057,326	-849,390
Past Service Cost	-	-
<b>Total, included in “ Employee Benefit Expenses “</b>	<b>2,888,980</b>	<b>809,285</b>



Actual Return on Plan Assets	-	-
<b>Assumption at the Valuation Date:</b>		
Discount Rate (p. a.)	7.95%/7.90%(CAV)	9.15%/9.05%(CAV)
Expected Rate of Return of Assets (p.a.)	NA	NA
Salary Escalation Rate (p.a.)	7%	10% for the first year & 7% thereafter/ 7% for the first year ( CAV)

**Experience Adjustments:**

(Amount in Rs.)

Particulars	Year Ended March 31				
	2015	2014	2013	2012	2011
Defined Benefit Obligation	7,928,549	5,039,569	4,230,284	3,660,973	2,572,188
Plan Assets	NA	NA	NA	NA	NA
Surplus/ (Deficit)	(7,928,549)	(5,039,569)	(4,230,284)	(3,660,973)	(2,572,188)
Experience Adjustment on Plan Liabilities [gain/ (loss)]	(302,135)	(751,083)	(412,264)	395,659	434,430
Experience Adjustment on Plan Assets [gain/ (loss)]	-	-	-	-	-

27.2 Employees are entitled to accumulation of leave which can be encashed at the time of retirement or termination. The leave encashment benefit scheme is a defined benefit plan and is not funded. Hence, there are no plan assets attributable to the obligation. The Leave encashment liability under defined benefit plan as on 31.3.2015 Rs 4,114,186/-(P.Y. Rs. 2,629,025/-).

**27.3 Employee Stock Options Plan**

‘The Company has formulated Employee Stock Option plan 2012, drafted in accordance with the SEBI (Employee Stock Option Scheme) Guidelines, 1999. The company has granted 14,99,990 stock options to their eligible employees in its board meeting held on Dt: Feb 12, 2015. To acquire equity shares of the Company which vest in a graded manner and to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess of Rs.



0.50/- on the closing market price of Rs. 109.5/-, the day prior to the grant of the options under ESOS over the exercise price of Rs. 109/- is amortized on a straight-line basis over the vesting period. (Amortization amount – Rs. 32876/-)

Total Number of Options Granted	1,499,990 (Fourteen Lacs Ninety Nine Thousand Nine Hundred and Ninety only)
Exercise Price Per Option	Rs. 109/-(One Hundred Nine Only)
The Vesting Period of the Option is as under	
12 Months	33.34% of Options
24 Months	33.33% of Options
36 Months	33.33% of Options

## 28 Segment Information:

In accordance with AS-17 “Segment Revenue”, notified by the Companies (Accounting Standards) Rules, 2006, segment revenue, segment results and other information are as under:

### A. Primary Segment

(a) Business Segment:

Segment identified by the company comprises as under:

- i. Seeds & Vegetables
- ii. Agri Biotech Products

(b) Segment Revenue & Expenses:

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as “Unallocable”.

(c) Segment Assets & Liabilities:

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

### B. Secondary Segment

The entire turnover of the Company is from domestic business and there is no geographical/secondary segment to be reported.



Segment results, assets and liabilities are as given below

Particulars	Seeds & Vegetables		Agri Biotech		Consolidated Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Revenue	1,429,441,142	1,475,488,083	632,519,168	433,428,064	2,061,960,310	1,908,916,147
Segment Result	113,723,000	142,019,734	51,195,849	23,686,482	164,918,849	165,706,216
Unallocated Corporate Expenses					133,950,491	-
Unallocated Corporate Incomes					32,383,965	-
Operating profit before interest & taxes					63,352,323	165,706,216
Interest Expense					42,526,879	38,759,360
Interest income					84,300	46,839
Profit Before Tax					20,909,744	126,900,017
Taxation						
Tax Expenses					19,787,261	(4,790,311)
Profit After Tax for the year					1,122,483	131,690,328
Prior Period Adjustments						
Profit after tax					1,122,483	131,690,328
<b>OTHER INFORMATION</b>						
Segment Assets						
Fixed Assets	315,465,921	161,105,062	1,218,360,270	686,171,469	1,533,826,191	847,276,531
Investment			18,000	-	18,000	-
Current Assets	1,534,082,352	1,148,778,921	391,939,283	233,514,662	1,926,021,635	1,382,293,583
Long term loans & advance	276,000		17,140,591		17,416,591	
Unallocated Corporate Assets						
Fixed Assets						248,992,763
Investment						18,000
Current Assets						25,057,145
Deferred tax assets(Net)						1,098,508
Long term loans & advances						408,135,300
Total Assets					3,477,282,417	2,912,871,829
Segment Liabilities	314,143,754	98,885,379	501,405,998	38,180,397	815,549,752	137,065,776
Unallocated Corporate Liabilities						499,375,740
Total Liabilities					815,549,752	636,441,516
Capital Employeed					2,632,463,172	2,273,781,216
Minority Interest					29,269,493	2,649,097
Total Equity and Liabilities					3,477,282,417	2,912,871,829

**29 Related Party Disclosure:****1. Related parties:****a. Name of the related party and nature of relationship where control exists:**

<b>Sl. No.</b>	<b>Name of the party</b>	<b>Nature of Relationship</b>
1.	Camson Agri Ventures Private Limited	Subsidiary
2.	Dhirendra Kumar – Managing Director	Key Management Personnel
3.	Veerendra Kumar Singh – Director	Key Management Personnel
4.	Camson Agro Products Private Limited (CAP)	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
5.	Shashtika Health Resort & Spa Pvt Ltd	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
6.	Camson Seeds Limited	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
7.	Camson Farm Management Venture LLP	Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence
8.	A.N. Singh - Director	Relatives of Key Management Personnel:
9.	Geeta Singh	Relatives of Key Management Personnel
10.	Karan Singh	Relatives of Key Management Personnel
11.	Reeya Singh	Relatives of Key Management Personnel


**b. Related Party transactions are as under Transactions with related parties**
**Related Party Transaction**

Sl. No.	Particulars	31st March 2015	31st March 2014
<b>I</b>	<b>Transactions with KMP &amp; their relatives</b>		
	Remuneration to Dharendra Kumar	8,400,000	8,067,762
	Salary to Karan Singh	1,533,500	638,315
	Loan taken/recovered from Dharendra Kumar	23,199,364 (12,264,652)	23,490,271 (23,652,211)
	Capital Advance to A N Singh, Director	41,000,000	220,350,000
	Commission Paid to Veerendra Kumar Singh	469,731	1,456,929
	Repayment of loan taken from Geeta Singh	Nil	15,00,000
	Dividend to Dharendra Kumar	Nil	1,944,680
	Dividend to Karan Singh	Nil	850,000
	Dividend to Geeta Singh	Nil	792,710
	Dividend to Akbal Narayan Singh	Nil	118,500
	Dividend to Veerendra Kumar Singh	Nil	110,000
	Dividend to Alka Singh	Nil	32,710
<b>II</b>	<b>Balances with Related Parties :</b>		
	Payable to Dharendra Kumar	201,199,961	9,265,249
	Receivable from Camson Agro Products Private Limited	-	8,309
	Receivable from Camson Farm Management Venture LLP	50,294	50,294
	Commission Payable to Veerendra Kumar Singh	-	1,463,267
	Capital Advance recoverable from A N Singh	-	374,725,676

**30 Leases**

30.1 The Company has taken certain assets and office premises under cancelable operating leases. The total rental expense under cancelable operating leases during the year was Rs.8,286,830 (P.Y. Rs.11,643,344/-).

30.2 The Company has entered into an un-registered agreement for Lease/License in respect of 34 acres of land from Mr. A N Singh, Director with effect from Jan 01, 2015 and paid Rs 415,725,676.53 (P.Y. Rs. 374,725,677/-) as lease consideration under Operating Lease Plan for a term of 99 Years. The agreement is not cancellable before the lease term and not renewable upon completion of the said term. The consideration amount is amortized over the lease period (Amortization amount charged for the 3 months period during the year Rs. 1,037,797/-, P.Y. – NIL)

**31 Earnings per Share (EPS): - Consolidated**

Earnings per share is calculated in accordance with Accounting Standard 20 – “Earnings per



share”, notified by the Companies (Accounting Standards) Rules, 2006.

**Earnings per Share**

<b>Particulars</b>	<b>2014-15 Amounts in Rs.</b>	<b>2013-14 Amounts in Rs.</b>
Profit available for equity share holders	19,355,102	131,778,279
Weighted average no. of equity shares - Basic	28,703,786	23,480,657
Weighted average no. of equity shares – Diluted	28,703,786	27,494,356
Earnings per share – Basic	0.67	5.61
Earnings per share – Diluted*	0.67	4.79

\* Diluted EPS has been computed considering that all share warrants will be converted to equity as per terms of issue of the warrants.

**32 Deferred tax assets / (liabilities) comprise of:**

<b>Particulars</b>	<b>As on 01.04.2014</b>	<b>Change during the period</b>	<b>As on 31.03.2015</b>
On WDV of Fixed Assets	(8,942,478)	(17,358,202)	(26,293,496)
Employee benefit liabilities	724,575	559,930	1,249,782
Provision for Doubtful Debts	9,316,411	(1,965,492)	7,246,761
Amount on account of change in depreciation adjusted with retained earnings		(891,800)	
<b>Total</b>	<b>1,098,508</b>	<b>(19,655,564)</b>	<b>(17,796,953)</b>

**33 Discontinued Operation**

“The Management of the Company intended to demerge its seeds division to Camson Seeds Limited through Court approved Scheme of Arrangement. In this process, the Management has obtained approval of the Court to conduct meetings and Convened Meetings of shareholders and creditors on April 23, 2015 and complied with the directions of High Court of Karnataka. The Company has filed the voting results and outcome of the meeting with Stock Exchange (BSE). The Company has filed the Petition vide no 105/2015 with Honorable. High Court of Karnataka and awaiting Approval. Affect in the accounts will be accordingly given in the ensuing financial year”.

On approval of the Scheme by the Honorable High Court, shareholders of Camson Bio Technologies Limited will get one equity share of Camson Seeds Limited for every share held in Camson Bio Technologies Limited.





The summary of profit and loss account and Assets & Liabilities of discontinuing operation is as follows

(Amount in Rs)

Particulars	2014-15	2013-14
Revenue	1,094,305,517	1,026,012,151
Other Income	25,678,644	372,244
Cost of Material Consumed	672,401,389	623,363,388
Employee Benefit cost	35,157,256	29,103,989
Depreciation	55,372,217	29,880,680
Finance Cost	26,406,141	27,256,109
Other Expenses	281,743,050	162,298,560
Net Profit	48,904,108	154,481,669
Particulars	2014-15	2013-14
Assets		
Non-Current Assets	167,628,898	160,996,207
Current Assets	1,386,125,584	1,049,812,912
Total Assets	1,553,754,482	1,210,809,119
Liabilities		
Non-current Liabilities	9,293,195	6,549,314
Current Liabilities	94,258,500	34,011,205
Total Liabilities	103,551,695	40,560,519

#### 34. Research and Development Expenses

Incurred at R&D Center recognized by DSIR located at Doddaballapur

(Amount in Rs.)

DSIR Revenue Expenses	R&D Centre Doddaballapur 31 <sup>st</sup> March 2015*	31 <sup>st</sup> March 2014 #
Research & Development Expenses (comprising clinical trial expenses, patent fees etc)	22,192,369	5,965,235
Employee Benefit Expenses	35,864,789	16,353,770
Lab Consumables	2,121,656	1,332,021
Professional Charges	263,327	20,140
Microbial Germplasm/ Breeder Seed Development	13,45,69,811	95,485,907
Total Revenue Expenditure	<b>19,50,11,952</b>	<b>119,157,073</b>
<b>DSIR Capital Expenditure</b>		
Plant & Machinery	2,614,736	1,424,850
Office Equipment	234,275	-
Product Development Cost		320,617,067
Total Capital Expenditure	<b>2,849,011</b>	<b>322,041,917</b>
Less: Sales proceeds (Income of R&D center)	-	-
Total Revenue and Capital Expenditure	<b>19,78,60,963</b>	<b>441,198,990</b>

\* In the opinion of the management, the above expenditure is eligible for the purpose of claiming deduction under section 35(2AB) of the Income Tax Act, 1961. Being this matter is technical in nature, the Auditors' have also relied upon the same

# For Disclosure purpose



35. Disclosure in respect of Company's Subsidiary Joint Ventures pursuant to Accounting Standard - 27 on "Financial Reporting of Interest in Joint Ventures" as notified under the Companies (Accounting Standards) Rules, 2006 :

Name of the Joint venture	Proportion of effective ownership interest
CAV Chepyala Farms	32.43%

Particulars	31-03-2015 Rs.	31-03-2014 Rs.
Total Liabilities	672,588	524,270
Total Assets	311,978	106,278
Total Income	26,852	-
Total Expenses	251,525	468,992

36. **Contingent Liabilities**

Corporate Guarantee issued in respect of borrowings availed by subsidiary companies Rs. 22 Crores (P.Y. NIL).

37. **Additional Disclosures:**

37.1 Foundation Seeds are the most important input towards production of hybrid seeds. Certain important aspect of a foundation seeds production is the isolation that has to be maintained. These isolations are to be regulated very carefully so as to avoid the cross pollination of the seeds, It is valued very high due to significant nature of the stringent steps taken for production of seeds. The Government of India has mentioned certain isolation distances for each crop & all the companies adhere to same formula. Generally foundation seeds have an expected life of 5-10 years. (Refer Note No. 2.6)

37.2 During the year, 4,774,327 lakh warrants issued in earlier years have been converted into equity shares as per terms of issue of such warrants. Out of that 1,674,327 equity shares allotted to Bio Harvest Pte. Limited (Foreign Investor) @ Rs. 198.86 per warrant and 700,000 to Ms. Reeya Singh (Daughter of Managing Director) @ Rs. 70 per warrant and remaining 2,400,000 warrant converted into equity share @ Rs. 70/- per warrant and issued to other investors.

37.3 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties had been identified on the basis of information available with the Company in this regard.



Particulars	2014-2015		2013-14	
	Principal	Interest	Principal	Interest
Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil

This information has been compiled based on the details available with the Company.

- 37.4. Earnings in foreign currency from export of products is Rs 6, 30,447/- (P.Y. Nil)  
Expenditure in foreign currency towards travelling expenses is Rs. 1,921,455/- (P.Y. Rs. 1,029,628/-).
- 37.5 Claims against company not acknowledged as debts Rs.6, 92,688/- (P.Y. 6,92,688/-).
- 37.6 The soft loan and interest there on to Rs 80.04 lakhs due to the NHB is written back in current



year and shown under other income, in the absence of any claim from NHB. ( The Honorable Court of Civil Judge (SR.DN), Doddaballapur vide their order dated 8<sup>th</sup> December 2009 closed the case filed by the National Horticulture Board (NHB) to recover the Loan of Rs. 69.00 lakhs and interest thereon from the Company).

37.7 During the year, the Company had received demand for additional Income-tax from the department for the AY 2012-13 for Rs.3,08,17,780 (including interest of Rs. 76,59,591). Department has not yet proceeded with penalty proceedings.

37.8 Disclosure in terms of Schedule III of Companies Act 2013 for consolidated financial statements is as follows:

Name of the Entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets /(Liabilities)	Amount	As % of consolidated net assets /(Liabilities)	Amount
1	2	3	4	5
Parent Camson Bio Technologies Limited	99.18%	2,639,781,986	245.10%	51,249,204
Subsidiaries				
Indian:				
Camson Agri-Ventures Private Limited	(2.77%)	(73,655,251)	(77.30%)	(16,163,749)
Foreign:	NA	NA	NA	NA
Minority Interests in all subsidiaries Associates (Investment as per the equity method)				
Indian:				
Camson Agro Products Private Limited	3.61%	96,186,249	(66.14%)	(13,830,008)
Foreign:	NA	NA	NA	NA
Joint Ventures (as per proportionate consolidation/ investment as per the equity method)				
Indian:				
CAV Chepyala Farms LLP	(0.02%)	(580,319)	(1.65%)	(345,703)
Foreign:	NA	NA	NA	NA
Total	100%	2,661,732,665	100%	20,909,744





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## **Attendance Slip**

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**CAMSON BIO TECHNOLOGIES LIMITED**

**CIN: L85110KA1993PLC014944**

**Regd. Office: Sy. 133, 132, 125, 130, 84, Madhure Hobli, Madagondanahalli, Dodabalapur,  
Karnataka -561 203**

**Phone: 080-40768900, Fax: 080-40768905**

**Website: <http://www.camsonbiotechnologies.com>**

**E-mail: [info@camsonbiotechnologies.com](mailto:info@camsonbiotechnologies.com)**

**ATTENDANCE SLIP**

(to be handed over on the registered counter at the entrance of the meeting venue)

**21<sup>st</sup> Annual General Meeting on Thursday, 24<sup>th</sup> September, 2015**

Registered Folio No./DP ID/Client ID:	
Full Name and Registered Address of the Member (Block Letters)	
Name of the proxy:	
No. of Equity Shares held:	

I/We hereby record my/our presence at the 21<sup>st</sup> Annual General Meeting of the Company held on Thursday, 24<sup>th</sup> September, 2015 at 3.00 P.M at Hotel Bhagini Palace, #210, 1st Main, A Cross, ESI Hospital Road, Domlur, 2nd Stage, Indiranagar, Bangalore – 560 071).

\_\_\_\_\_  
Member's/Proxy's Signature



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# Proxy Form

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**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 : L85110KA1993PLC014944

Name of the company : Camson Bio Technologies Limited

Registered office : Sy. 133, 132, 125, 130, 84, Madhure Hobli, Madagondanahalli, Dodabalapur-561203, Karnataka

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

1. Name: .....  
 Address: .....  
 E-mail Id: .....  
 Signature: .....



# CAMSON BIO TECHNOLOGIES LIMITED

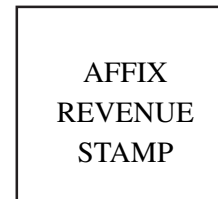
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of..... At..... a.m. / p.m. at..... (place) and at any adjournment thereof in respect of such resolutions as are indicated below :

Sl. No	Particulars
	<b>ORDINARY BUSINESS</b>
1.	To receive, consider and adopt the Balance Sheet as at March 31, 2015 and Statement of Profit and Loss for the year ended on that date, the Reports of Directors and Auditors thereon
2.	To appoint a Director in place of Mr. Akbal Narayan Singh, (DIN: 00296396), who retires by rotation and being eligible, offers himself for re- appointment
3.	To appoint Messrs B. K. Khare & Co. as Statutory Auditors of the Company
	<b>SPECIAL BUSINESS</b>
4.	To ratify the remuneration fixed by the Board of Directors to Messrs Murthy & Co. LLP, Cost Auditors appointed for the year 2015-16
5.	To appoint Mr. Santosh Nair as a Director.
6.	To appoint Mr. Santosh Nair as a Whole Time Director.
7.	To appoint Mr. B.C.Madappa as an Independent Director
8.	To appoint Mr. Krishnaswamy Ramaswamy as an Independent Director
9.	To appoint Mr. Gulshan Kumar Khanna as an Independent Director
10.	To appoint Dr. Anurudh Kumar Singh as an Independent Director
11.	To appoint Mr. B.C. Madappa as an Independent Director
12.	To appoint Mr. Krishnaswamy Ramaswamy as an Independent Director
13.	To appoint Mr. Gulshan Kumar Khanna as an Independent Director
14.	To appoint Dr. Anurudh Kumar Singh as an Independent Director
15.	To appoint Mr. Anil Nath as a Director
16.	To appoint Mr. Anil Nath as an Independent Director
17.	To ratify the Related Party Transaction with Mr. A.N. Singh for the leave and lease agreement.

Signed this ..... day of .....20.

Signature of shareholder

Signature of Proxy holder(s)



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