



kaveri seeds®

kaveri seed company limited

CIN: L01120AP1986PLC006728

Regd. Office: 513-B, 5th Floor, Minerva Complex, SD Road, Secunderabad- 500003, Telangana

Tel.: +91- 040-27721457; Fax: +91- 040-27811237

Email id: cs@kaveriseeds.in Website: www.kaveriseeds.in

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) (the "Act") read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (as amended) (the "Rules") including any statutory modification or re-enactment thereof for the time being in force, Secretarial Standard on General Meetings ("SS 2"), and any other laws, applicable provisions if any and regulations applicable from time to time, consent/approval of the Members of the Company is sought to pass the proposed resolution as set out hereinafter, by means of postal ballot, which includes e-voting (Voting by electronic means) as a **SPECIAL RESOLUTION**.

A Statement pursuant to Section 102 of the Act setting out the material facts and the reasons thereof (the "Statement") is annexed hereto along with a Postal Ballot Form (the "Postal Ballot Form"), for your consideration. This Notice along with the Statement and the Postal Ballot Form is also available on the website of the Company (www.kaveriseeds.in). Further, in terms of the said Rules and SS 2, an advertisement shall be published in newspapers specifying the relevant information.

The Board of Directors of the Company (the "Board") at their meeting held on March 27, 2017 has, subject to the approval of the Members of the Company by way of a special resolution and approval of statutory, regulatory or government authorities as may be required under applicable laws, approved a buyback of fully paid up equity shares of face value ₹ 2 (Rupees Two) each not exceeding 29,62,963 equity shares (representing 4.29% of the total paid-up Equity Share Capital of the Company as on March 31, 2016) from the Members holding equity shares of the Company on a proportionate basis through the "Tender Offer" route through Mechanism for acquisition of shares through Stock Exchange, as prescribed under the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended), read with SEBI Circular CIR/CFD/POLICYCELL/1/2015 dated 13th April, 2015 and circular no CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, at a price of ₹ 675 (Rupees Six Hundred and Seventy Five Only) per equity share payable in cash for an aggregate amount up to ₹ 200 Crores (Rupees Two Hundred Crores Only), excluding brokerage, securities transaction tax, service tax, stamp duty, etc., ("Buyback"). The offer size of the Buyback is 21.84% of the aggregate of paid-up Equity Share Capital and Free Reserves of the Company on a standalone basis as at March 31, 2016.

In accordance with the provisions of Section 68(2)(b) and 110 of the Act read with Rule 22(16)(g) of the Rules and other applicable provisions of the Act, the approval of the members is required to be obtained by way of a special resolution through postal ballot for the proposed Buyback. Accordingly, the Company is seeking your consent for the aforesaid proposal. The said resolution and the Statement are being sent to you along with a postal ballot form for your consideration.

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board has appointed L.D.Reddy & Co., Company Secretaries in Practice (holding CP No. 3752), as the Scrutinizer (the "Scrutinizer"), for conducting the Postal Ballot Process (which includes e-voting) in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Form, record their assent (FOR) or dissent (AGAINST) therein by filling necessary details and affixing their signature at the designated place in the said form and return the same duly completed, in the attached postage pre-paid self-addressed envelope, so as to reach the Scrutinizer not later than 5.00 P.M. on Saturday, the May 27, 2017. The Scrutinizer after completion of the scrutiny will submit the report on or before Friday, the 2nd June, 2017 to the Chairman or to any other director of the Company authorised in this regard.

E-voting Option: Further, the Company, in compliance with the provisions of Section 108 of the Act read with Rule 20 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is pleased to provide the members with the facility to exercise their right to vote on the matter included in the Postal Ballot by electronic means i. e., through e-voting services provided by CDSL. The e-voting period commences at 9.00 AM on Friday, April 28, 2017 and ends at 5.00 PM (IST) on Saturday, the May 27, 2017.

The Result of the Postal Ballot (which includes e-voting) will be declared on Friday, 2nd June, 2017 at 5.00 P.M. at the Registered Office of the Company by the Chairman of the Company or any other director authorised by him in writing. The results will also be posted on the website of the Company www.kaveriseeds.in on Friday, 2nd June, 2017, on the website of CDSL and shall be displayed on the Notice Board of the Company at its Registered Office. The results shall also be intimated to the Stock Exchanges where the equity shares of the Company are listed.

RESOLUTION:

1) Approval for the Buy-back of Equity Shares of the Company

To consider and, if thought fit, to give assent or dissent to the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 68,69,70 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended (the "Buy-back Regulations"), Article 75 of the Articles of Association of the Company and compliance of other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, if any, and such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, the approval of members of the Company be and is hereby accorded for the Buy-back of fully paid-up Equity Shares of the face value of ₹ 2/- (Rupees Two) each up to 29,62,963 equity shares (Twenty Nine Lakhs Sixty Two Thousand Nine Hundred Sixty Three) (representing 4.29% of the total issued and paid-up Equity Share Capital of the Company) at a price of ₹ 675 /- (Rupees Six Hundred and Seventy Five Only) ("Buyback Price") per Equity Share payable in cash for a total consideration not exceeding ₹ 200 crores (Rupees Two Hundred Crores Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., ("Buyback Size"), representing 21.84% of the aggregate of the standalone paid-up share capital and free reserves (including Securities Premium Account) as per the audited accounts of the Company for the financial year ended March 31, 2016, being within the 25% limit of paid-up share capital and Free Reserves (including securities Premium Account) as per the provisions of the Act, out of the Free Reserves and/ or the Securities Premium Account of the Company or such other source as may be permitted by the Buyback Regulations or the Act, from the members of the company as on the record date to be determined by the Board (hereinafter referred to as the "the Record Date"), on a proportionate basis through "Tender Offer" route as prescribed under the Buyback Regulations("the Buyback").

RESOLVED FURTHER THAT the Buy-back, to the extent permissible under law and subject to all applicable legal provisions, be implemented using the "Mechanism for acquisition of shares through Stock Exchange" in accordance with Circulars notified by SEBI vide circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.

RESOLVED FURTHER THAT the Company may Buyback Shares from the existing members of the Company as on the record date on a proportionate basis, provided that 15% of the number of Shares under the Buyback or the number of Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for small shareholders as prescribed under Regulation 6 of the Buyback Regulations.

RESOLVED FURTHER THAT the Buyback of Shares from the non-resident members of the Company, including Overseas Corporate Bodies, Foreign Institutional Investors, members of foreign nationality, etc., shall be subject to such approvals if and to the extent necessary or required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder.

RESOLVED FURTHER THAT Mr. G.Vijay Kumar, CFO be and is hereby appointed as the Compliance Officer for the purpose of proposed Buyback.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorised Representative(s) of the Company in order to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback including the record date, entitlement ratio, the time frame for completion of the Buyback, and the appointment of brokers, solicitors, depository participants, escrow agents, advertising agencies and other advisors/ consultants/ intermediaries/ agencies, as may be required, for the implementation of the Buyback; and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation, signing, issuing and filing of the public announcement, the draft letter of offer / letter of offer and all other offer documents with respect to the Buyback with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities, if required; and to obtain all necessary certificates and reports from the statutory auditors and other third parties as required under applicable laws; and to enter into escrow arrangements and appoint escrow agents as required or desirable in terms of the Buyback Regulations; and to open, operate and close all necessary accounts including escrow account, special payment account, demat escrow account as required or desirable in terms of the Buyback Regulations; and for the extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company; and to provide, finalise, execute and file such other undertakings, agreements, documents and correspondence, in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies, depositories or other authorities or third persons from time to time as may be required, desirable or considered expedient for the implementation of the Buyback.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any member to offer and / or any obligation on the part of the Company or the Board to buyback any Shares, and / or impair any power of the Company or the Board to terminate any process in relation to the Buyback, if so permissible by law.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalise the terms of the Buy-back, including the price per share, the amount to be utilised towards the Buy-back, the number of Equity Shares to be bought back, the source, and the time frame thereof, within the statutory limits prescribed by the law and to do all such acts, deeds, matters and things, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto including but not limited to appointment of Merchant Banker, Brokers, Bankers, Solicitors, Registrars, Depository Participants and other intermediaries / agencies for the implementation of the Buy-back, to make applications seeking approval of appropriate authorities and to initiate all necessary action for opening of accounts, preparation and issuance of various documents, including Public Announcement, Letter of Offer, Declaration of Solvency, and Certificate of Extinguishment of shares / share certificates required to be filed in connection with the Buy-back without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval expressly by the authority of this resolution."

Registered Office:
513-B, 5th Floor,
Minerva Complex, S.D. Road,
Secundrabad-500 003, India
CIN: L01120AP1986PLC006728
Email id: cs@kaveriseeds.in

By order of the Board
For **Kaveri Seed Company Limited**

V R S Murti
Company Secretary
CS Membership No.ACS3566

Place: Secunderabad
Date : March 27, 2017

Notes:

1. Statement pursuant to Section 102 of the Companies Act, 2013 (as amended) (the "Act") setting out the material facts and the reasons for the proposed resolution is appended hereto.
2. This Notice is being sent to such members whose names appear on 21st April 2017 in the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL). **A person who is in receipt of this Notice but is not a member on the said date should treat this Notice for information purposes only.**
3. Voting rights shall be reckoned on the paid-up value of shares registered in the names of the Members as on 21st April, 2017.
4. In compliance with the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act, read with the relevant rules made thereunder and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Company has also extended e-voting facility as an alternate, for its members to enable them to cast their votes electronically. **The instructions for e-voting are annexed to this Notice.** The Company has availed services of CDSL for the purpose of providing e-voting facility to the members.
5. As per Section 110 of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (as amended), notice may be served on the members through electronic means. Members who have registered their e-mail IDs with the depositories or with the Company are being sent this Notice by e-mail and the members who have not registered their e-mail IDs (or who have opted to receive physical copies) will receive this Notice along with the Postal Ballot Form and a postage pre-paid self-addressed envelope, by a permitted mode (i.e. by registered post or speed post or through courier service). The Board of Directors of the Company has appointed L.D.Reddy & Co, Company Secretaries in Practice (holding CP No. 3752), as the Scrutinizer (the "Scrutinizer"), for conducting the postal ballot and e-voting process in a fair and transparent manner in accordance with the provisions of the Act and the rules made thereunder.
6. Members who do not receive the Postal Ballot Form may apply to the Company at cs@kaveriseeds.in to receive a duplicate thereof.
7. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Postal Ballot Form, record their assent (FOR) or dissent (AGAINST) therein by filling necessary details and affixing their signature at the designated place in the said form and return the same duly completed, in the attached postage pre-paid self-addressed envelope. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or by post at the address as mentioned on the enclosed envelope at the expense of the member(s) will also be accepted. The duly completed Postal Ballot Form(s) should reach the Scrutinizer on or before **5.00.PM on Saturday, May 27, 2017** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member(s). Unsigned Postal Ballot Form(s) will be rejected.
8. **The e-voting shall be open from Friday, April 28, 2017 9.00 A.M. (IST) and shall end at 5.00 P.M (IST) on Saturday, May 27, 2017.** E-voting shall be disabled by CDSL at **5.00 P.M on May 27, 2017.**

9. Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Postal Ballot Forms will be treated as invalid.
10. The Scrutinizer's decision on the validity of any Postal Ballot shall be final. He will submit the report, on or before June 02, 2017 on the result of the voting by postal ballot and e-voting to the Chairman of the Company or to any director authorised in this regard.
11. The results of the voting by postal ballot and e-voting will be declared at the Registered Office of the Company at 513-B, 5th Floor, Minerva Complex, SD Road, Secunderabad, by the Chairman of the Company or by any other director authorised by him in writing. The results along with Scrutinizer's Report will be posted on the website of the Company www.kaveriseeds.in, on the website of CDSL and shall also be intimated to the Stock Exchanges on which the shares of the Company are listed.
12. The Notice of Postal Ballot is also placed on the website of the Company (www.kaveriseeds.in) and on the website of CDSL.

13. INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MODE:

1. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote through postal ballot by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The E-voting facility is available at the link:

Electronic Voting Sequence Number (EVSN)	Commencement of E-Voting	End of E-Voting
170422001	28.04.2017	27.05.2017

The instructions for e-voting are as under:

(A) In case of members receiving e-mail:

(I) Instructions for e-voting

- a) Shareholders should log on to the e-voting website www.evotingindia.com.
- b) Click on "Shareholders" tab.
- c) Now enter your User ID

For Members holding shares in Demat Form	For Members holding shares in Physical Form
For CDSL: 16 digits beneficiary ID For NSDL: 8 Character DP ID followed by 8 Digits Client ID	Folio Number registered with the Company

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)- <ul style="list-style-type: none"> ● 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 serial number (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field. ● In case the serial 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 serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c) above.

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in Physical form will then directly reach the Company selection screen.
- i) 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.
If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- j) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k) Click on the relevant EVSN for the "KAVERI SEED COMPANY LIMITED" on which you choose to vote.
- l) On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO.
- m) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Notice of the Postal Ballot.
- n) 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.
- o) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q) Note for Non-Individual Shareholders & Custodians:
 - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- r) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
2. **In case of members receiving the Physical copy of Notice of Postal Ballot [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]**
- (A) Please follow all steps from (a) to (r) above, to cast vote.
- (B) Non-Individual Shareholders (i.e., other than individuals, HUF, NRI etc.) and custodian are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorized to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- (C) The voting period begins on 28th April 2017 at 9.00 A.M. and ends on 27th May 2017 at 5.00.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the 21st April 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
3. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 21st April 2017.
4. L.D.Reddy & Co, Company Secretaries in Practice (holding CP No. 3752) has been appointed as the Scrutinizer to scrutinize the e-voting process.
5. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
6. The result of the Postal ballot will be announced on Friday, the 2nd June, 2017 at the Registered Office of the Company and intimation to National Stock Exchange of India Limited and BSE Limited where the shares of the company are listed and uploaded on the Company's website www.kaveriseeds.in and on the website of CDSL www.cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1. *Approval for Buyback of Equity Shares*

Members are informed that the Board of Directors of the Company (the "Board") has, at its meeting held on March 27, 2017, approved the proposal for buyback of its equity shares, the details of which are as contained in the resolution stated at Item No. 1 of the Notice.

As per the applicable provisions of the Companies Act, 2013 (as amended) (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) (the "Share Capital Rules") and the SEBI (Buy Back of Securities) Regulations, 1998 (as amended) (the "Buyback Regulations"), this Explanatory Statement contains relevant and material information to enable the members holding equity shares of the Company to consider and approve the proposed Special Resolution for the Buyback by the Company of its equity shares as under:

a) *Necessity for the Buy Back*

- i. The Buyback will help the Company to return surplus cash to its members, holding equity shares and tendering under the Buyback, broadly in proportion to their shareholding, thereby enhancing the overall return to the members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- iii. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- iv. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment.
- v. Optimizes the capital structure.

b) *Method to be adopted for Buy-back*

The buy-back shall be on a proportionate basis from the equity shareholders / beneficial owners of the Equity Shares of the Company through the "Tender Offer" route, as prescribed under the Buy-back Regulations. The Buy-back will be implemented in accordance with the Act and the Rules made thereunder to the extent applicable, and on such terms and conditions as may be deemed fit by the Company. As required under the Buyback Regulations, the Company will announce a record date (the "Record Date") for determining the names of the members holding equity shares of the Company who will be eligible to participate in the Buyback. In due course, a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the shareholder for participating in the Buyback will be dispatched to each shareholder as on the Record Date.

The Equity Shares to be bought back as a part of the Buy-back is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) the general category for all other shareholders.

As defined in the Buy-back Regulations, a "small shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price of shares, on the recognized stock exchange in which highest trading volume in respect of Equity Shares as on Record Date is not more than ₹ 2,00,000 (Rupees Two Lacs).

In accordance with the proviso to Regulation 6 of the Buy-back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buy-back.

Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-back applicable in the category to which such shareholder belongs.

Shareholders' participation in Buy-back will be voluntary. The maximum tender under the Buy-back by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date. The Equity Shares tendered as per the entitlement by

members holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations. The settlement of the tenders under the Buy-back is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/ CIR/ P/ 2016/131 dated December 09, 2016.

Detailed instructions for participation in the Buy-back (tender of equity shares in the Buy-back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the members holding Equity Shares of the Company as on the Record Date.

c) Maximum amount required under the Buy-back, its percentage of the total paid up capital and free reserves and the sources of funds from which the Buy-back would be funded

The maximum amount required under the Buy-back will not exceed ₹ 200 crores (which is 21.84% of the total paid-up equity capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

The Buy-back would be funded out of free reserves of the Company. The Company shall transfer a sum equal to the nominal value of the Equity Shares bought back through the Buy-back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debt owned by the Company will not be more than twice the paid-up and free reserves after the Buyback.

d) Buyback price and the basis of arriving at the Buyback price

The Equity Shares are proposed to be bought back at a price of ₹ 675/- (Rupees Six Hundred and Seventy Five Only) per Equity Share (the "Buyback Price").

The Buyback Price has been arrived at after considering various factors such as the accumulated free reserves (including Securities Premium Account) as well as the cash liquidity reflected in the audited accounts of the Company for the financial year ended March 31, 2016, the prevailing market price of the equity shares of the Company before the announcement of Board Meeting for consideration of Buyback, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company.

The Buyback Offer Price of ₹ 675/- (Rupees Six Hundred and Seventy Five Only) per equity share represents a premium of 23.54% and 24.39% over the closing price of the Equity Shares on the BSE Limited ("BSE") and on the National Stock Exchange of India Limited ("NSE") (collectively referred to as the "Stock Exchanges"), respectively, as on March 27, 2017, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was considered.

e) Number of shares that the Company proposes to buyback and the time limit for completing the Buyback

The Company proposes to buyback not exceeding 29,62,963 (Twenty Nine Lakhs, Sixty Two Thousand, Nine Hundred and Sixty Three Only) equity shares of the face value of ₹ 2 each of the Company.

The Buyback is proposed to be completed within one year from the date of passing of the Special Resolution approving the proposed Buyback.

f) Compliance with Section 68(2) (c) of the Act

The aggregate paid-up share capital and free reserves as on March 31, 2016 is ₹ 91,562.59 lakhs. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate of the fully paid-up share capital and free reserves of the Company i.e. is ₹ 22,890.65 lakhs. The maximum amount proposed to be utilized for the Buyback, is not exceeding ₹ 20,000.00 lakhs (Rupees Two Hundred crores only) excluding transaction costs viz., brokerage, securities transaction tax, service tax, stamp duty, etc., representing and is therefore within the limit of 25% of the Company paid-up share capital and free reserves as per the audited accounts of the Company for the financial year March 31, 2016 (the last audited financial statements available as on the date of Board meeting recommending the proposal for the Buyback).

g) The aggregate shareholding of the Promoters and of the Directors of the Promoter where Promoter is a Company and of Persons who are in Control of the Company, and of Directors and Key Managerial Personnel of the Company as on the date of this Notice:

(i) Shareholding of the promoters and Promoter Group of the Company:

Sr. No	Name of Shareholder	No. of Equity Shares held	Percentage of Issued Equity Share Capital
1	Mithun Chand Chennamaneni	9,28,895	1.35%
2	Vamsheedhar Chennamaneni	10,99,320	1.59%
3	Pawan Gundavaram	25,09,000	3.63%
4	Vanaja Devi Gundaaram	1,57,75,050	22.84%
5	Gundavaram Venkata Bhaskar Rao	60,31,990	8.74%
6	Venkata Bhaskar Rao Gundavaram (HUF)	1,12,40,645	16.28%
	Total	3,75,84,900	54.43%

(ii) Shareholding of the Directors and Key Managerial Personnel of the Company:

Apart from the following, none of the other Directors or Key Managerial Personnel of the Company hold any equity share in the Company:

Sr. No	Name of the Shareholder	Designation	No. of Shares held	Percentage
1	Mithun Chand Chennamaneni	Whole-Time-Director	9,28,895	1.35%
2	Gundavaram Venkata Bhaskar Rao	Managing Director	60,31,990	8.74%
3	Vanaja Devi Gundavaram	Whole-Time-Director	1,57,75,050	22.84%
4	Vamsheedhar Chennamaneni	Whole-Time-Director	10,99,320	1.59%
5	Pawan Gundavaram	Director	25,09,000	3.63%
	Total		2,63,44,255	38.15%

h) Aggregate number of equity shares purchased or sold by persons including persons mentioned in (g) above from a period of six months preceding March 27, 2017, being the date of Board Meeting at which the buyback was approved:

No equity shares of the Company were either purchased or sold by any of the persons mentioned in clause (g) above during the period of six months preceding March 27, 2017, being the date of the board meeting at which the Buyback was approved.

i) Intention of the Promoters and Promoter Group of the Company to tender equity shares for Buyback indicating the number of shares, details of acquisition with dates and price

In terms of the Buyback Regulations, under the Tender Offer, the Promoters and Promoter Group being in control of the Company, have an option to participate in the Buyback. The Promoters have expressed their intention to participate in the Buyback and it may tender

up to an aggregate maximum of 15,00,000 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations:

S.No	Name of the shareholder	Maximum number of shares Intended to Tender
1	Vamsheedhar Chennamaneni	44,987
2	Pawan Gundavaram	1,02,670
3	Vanaja Devi Gundavaram	6,45,530
4	Gundavaram Venkata Bhaskar Rao	2,46,835
5	Venkata Bhaskar Rao Gundavaram (HUF)	4,59,978

Details of the date and price of acquisition of the Equity Shares held by Promoters and Promoter Group, who are participating in the Buyback, are given below:

Vamsheedhar Chennamaneni

Date	No. of Shares	Nature of Transaction	Nominal Value (In ₹)	Issue Price / Transfer Price (In ₹)	Cumulative No. Shares
20.09.2006	77,600	Acquisition of Agritek	7,76,000	NA	77,600
20.09.2009	22,400	Gift from Gundavaram Venkata Bhaskar Rao	2,24,000	NA	1,00,000
03.05.2010	2,060	Off Market Purchase	20,600	300.00	1,02,060
02.04.2011	44,135	Market Purchase	4,41,350	386.60	1,46,195
26.07.2011	6,000	Off Market Purchase	60,000	330.00	1,52,195
26.03.2011	50,000	Gift From Gundavaram Venkata Bhaskar Rao	5,00,000	NA	2,02,195
13.10.2011	57,138	Market Purchase	5,71,380	440.72	2,59,333
13.07.2012	50,000	Gift From Gundavaram Venkata Bhaskar Rao	5,00,000	NA	3,09,333
07.03.2013	5,000	Market Purchase	50,000	1,355.00	3,14,333
22.07.2013	(39,682)	Market sale	39,682	1,590.00	2,74,651
Split of Each equity share of ₹10 each into Five equity shares of ₹ 2 Each			13,73,255		
10.06.2014	(50,000)	Market sale	1,00,000	658.93	13,23,255
23.06.2015	(2,23,935)	Market sale	4,47,870	806.7	10,99,320

Pawan Gundavaram

Date	No. of Shares	Nature of Transaction	Nominal Value (In ₹)	Issue Price / Transfer Price (In ₹)	Cumulative No. Shares
26.02.1991	2,000	Allotment	20,000	10	2,000
29.03.1996	12,500	Allotment	1,25,000	10	14,500
27.06.2005	99,000	Allotment	9,90,000	10	1,13,500
26.07.2006	(14,500)	Sale	1,45,000	50	99,000
04.08.2006	99,000	Bonus issue	9,90,000	NA	1,98,000
20.09.2006	1,98,000	Rights	19,80,000	10	3,96,000
20.09.2006	1,05,800	Acquisition of Agritek	10,58,000	NA	5,01,800
Split of Each equity share of ₹ 10 each into Five equity shares of ₹ 2 Each					25,09,000

Vanaja Devi Gundavaram

Date	No. of Shares	Nature of transaction	Nominal Value (In ₹)	Issue Price / Transfer Price (In ₹)	Cumulative No. Shares
27.08.1986	100	Subscription to Memorandum	1,000	10	100
26.02.1991	8,900	Allotment	89,000	10	9,000
29.03.1996	30,000	Allotment	3,00,000	10	39,000
27.06.2005	5,95,000	Allotment	59,50,000	10	6,34,000
26.07.2006	(97,000)	Sale	9,70,000	50	5,37,000
04.08.2006	5,37,000	Bonus issue	53,70,000	NA	10,74,000
20.09.2006	10,74,000	Rights	1,07,40,000	10	21,48,000
20.09.2006	74,600	Acquisition of Agritek	7,46,000	NA	22,22,600
Split of Each equity share of ₹ 10 each into Five equity shares of ₹ 2 Each			1,11,13,000		
09.07.2014	(31,62,552)	Market sale	63,25,104	836.15	79,50,448
03.11.2014	73,20,000	Gift	1,46,40,000	NA	1,52,70,448
24.08.2015	4,19,865	Market purchase	8,39,730	426.63	1,56,90,313
26.08.2015	84,737	Market purchase	1,69,474	472.31	1,57,75,050

Gundavaram Venkata Bhaskar Rao

Date	No. of Shares	Nature of transaction	Nominal Value (In ₹)	Issue Price / Transfer Price (In ₹)	Cumulative No. Shares
27.08.1986	100	Subscription to Memorandum	1,000	10	100
26.02.1991	12,400	Allotment	1,24,000	10	12,500
29.03.1996	44,000	Allotment	4,40,000	10	56,500
27.06.2005	3,90,000	Allotment	39,00,000	10	4,46,500
23.06.2006	6,50,000	Allotment	65,00,000	10	10,96,500
26.07.2006	1,43,500	Purchase	14,35,000	50	12,40,000
29.07.2006	(3,00,000)	Sale	30,00,000	50	9,40,000
01.08.2006	(71,000)	Sale	7,10,000	50	8,69,000
01.08.2006	(5,79,000)	Sale	57,90,000	10	2,90,000
04.08.2006	2,90,000	Bonus	29,00,000	NA	5,80,000

20.09.2006	5,80,000	Rights	58,00,000	10	11,60,000
20.09.2006	1,70,400	Acquisition of Agritek	17,04,000	NA	13,30,400
20.09.2006	(82,400)	Gift to C.Vamsheedhar and C.Mithunchand	8,24,000	NA	12,48,000
12.08.2009	45,852	Market Purchase	85,704	229.17	12,93,852
22.08.2009	43,401	Market Purchase	86,802	214.89	13,37,253
09.09.2009	21,145	Market Purchase	42,290	220.8	13,58,398
22.09.2009	48,000	Market Purchase	96,000	222.62	14,06,398
26.03.2011	(50,000)	Gift	1,00,000	NA	13,56,398
26.03.2011	(50,000)	Gift	1,00,000	NA	13,06,398
13.07.2012	(50,000)	Gift	1,00,000	NA	12,56,398
13.07.2012	(50,000)	Gift	1,00,000	NA	12,06,398
Split of Each equity share of ₹ 10 each into Five equity shares of ₹ 2 Each					60,31,990

Venkata Bhaskar Rao Gundavaram (HUF)

Date	No. of Shares	Nature of transaction	Nominal Value (In ₹)	Issue Price / Transfer Price (In ₹)	Cumulative No. Shares
26.07.2006	5,79,000	Purchase	57,90,000	10	5,79,000
04.08.2006	5,79,000	Bonus Issue	57,90,000	NA	11,58,000
20.09.2006	11,58,000	Rights Issue	1,15,80,000	10	23,16,000
28.01.2013	(67,871)	Market sale	6,78,710	1,402	22,48,129
Split of Each equity share of ₹10 each into Five equity shares of ₹ 2 Each					1,12,40,645

j) Confirmation that the Board of Directors have made full enquiry into the affairs and prospects of the Company and that they have formed the opinion to the effect that the Company, after buy-back will continue to be able to meet its liabilities and will not be rendered insolvent

The Board confirms that it has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that:

- immediately following the date of Board Meeting held on March 27, 2017 and the date on which the results of postal ballot will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- as regards the Company's prospects for the year immediately following the date of the Board Meeting convened for approving the Buy-back i.e., March 27, 2017 and the date on which the results of Postal Ballot will be declared, having regard to their intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the view of the Board, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy-back and within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be; and
- informing its opinion for the above purposes, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act.

k) Report addressed to the Board of Directors by the Company's Auditors

The text of the Report dated March 27, 2017 received from P.R.Reddy & Co, Chartered Accountants, Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

To
The Board of Directors
Kaveri Seed Company Limited
513-B, 5th Floor,
Minerva Complex,
S.D Road,
Secunderabad
Telangana – 500 003

Dear Sir,

Sub: Report in terms of Clause (xi) of Schedule II to the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended

- In connection with the proposal of Kaveri Seed Company Limited (the 'Company'), and as approved by its Board of Directors at its meeting held on 27th March, 2017, to buy back its shares and in pursuance to the provisions of Section 68, Section 69 and Section 70 of the Companies Act, 2013 (the 'Act') and The Companies (Share Capital and Debentures) Rules, 2014 and subsequent amendments thereof, and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the 'Regulations'), we have examined the Company's Audited Accounts for the year ended March 31, 2016 on standalone basis and according to the information and explanations given to us and on the basis of verification of relevant records as we consider appropriate, we report that :
 - We have inquired into the state of affairs of the Company in relation to its audited financial statements as at March 31, 2016.
 - The amount of permissible capital payment for the Buy Back of equity shares, as computed in the table below, has been properly determined in our view in accordance with Section 68 (2) of the Act and Regulation 4 (1) of the Buy Back Regulations. The amount of equity share capital and free reserves (including Securities Premium) have been extracted from the audited financial statements of the Company for the year ended March 31, 2016 as under:

Particulars	Amount (₹ in Lakhs)
(A) Paid-up equity share capital	1,381.10
6,90,55,095 equity shares of ₹ 2 each fully paid-up	
(B) Free Reserves	
Securities Premium Account	6,612.83
General Reserve	8,001.06
Surplus in the Statement of Profit and Loss	75,567.60
Total Paid up Capital and Free Reserves (A) + (B)	91,562.59
Permissible capital payment (25% of the paid up capital and free reserves)	22,890.65
Buyback Size proposed by Board of Directors	20,000.00

- The Board of Directors at its meeting held on 27th March, 2017 have formed the opinion as specified in Clause (x) of Part A of Schedule II to the Regulations, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of board meeting and the date on which the results of the Postal Ballot will be declared..
- We are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
- Compliance with the provisions of the Act and the Regulations is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy based on our review procedures.
- For the purpose of this report, we have conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
- This report has been prepared and issued to the Company with reference to the proposed Buyback of Equity Shares including disclosing in the Postal Ballot Notice, Public Announcement, Draft Letter of Offer, Letter of Offer and submission to various Regulatory bodies such as SEBI, Stock Exchanges, RBI etc., as required under the Buy Back Regulations and should not be used, referred or distributed for any purpose without our prior written consent.
- We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **P.R.REDDY & CO**
Chartered Accountants
ICAI Firm registration number: 003268S
P RAGHUNADHA REDDY
Partner
Membership No.: 23758

Place: Secunderabad
Date: March 27, 2017

Unquote

I) As per the provisions of the Buy-back Regulations and the Act

- The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buy-back;
- The Company shall not raise further capital for a period of one year from the closure of the Buy-back, except in discharge of its subsisting obligations;
- The special resolution approving the Buy-back will be valid for a maximum period of 1 year from the date of passing the said special resolution (or such extended period as may be permitted under the Act or the Buy-back Regulations or by the appropriate authorities). The Schedule of Activities for the Buy-back shall be decided by the Board of Directors within the above time limits;
- The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- The Company shall not withdraw Buy-back after the public announcement of the offer to Buy-back is made;
- The Company shall not Buy-back locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable; and
- The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013, the company is a debt free company and the debt equity ratio of aggregate of secured and unsecured debts owed by the Company shall not be more than twice the equity share capital and free reserves after the Buy-back.

A copy of the Notice is also available on the website of the Company, at www.kaveriseeds.in, website of registrar, Bigshare at www.bigshareonline.com, website of the National Stock Exchange of India Limited, at www.nseindia.com and BSE Limited, at www.bseindia.com.

All documents referred to in the accompanying Notice and Statement pursuant Section 102(1) of the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during working hours on all working days up to the date of last date of voting i.e. May 27, 2017.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its members holding equity shares of the Company, The Director, therefore recommend passing of the Special Resolution as set out in the accompany Notice.

None of the Directors or any Key Managerial Personnel of the Company or their relatives is, in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company.

Registered Office:
513-B, 5th Floor
Minerva Complex,
SD Road
Secundrabad-500003, Telangana, India
CIN: L01120AP1986PLC006728
Email id: cs@kaveriseeds.in
Website: www.kaveriseeds.in

By order of the Board
For **Kaveri Seed Company Limited**

VRS Murti
Company Secretary
CS Membership No. **CS3566**

Place: Secunderabad
Date: March 27, 2017