

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is being sent to you as a registered shareholder/ beneficial owner of the Equity Shares (“**Equity Shareholder**”) of Kaveri Seed Company Limited (the “**Company**”) as on the Record Date August 03, 2018 and such Equity Shareholders are the “**Eligible Shareholder**”) in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the “**SEBI Buyback Regulations**”). If you require any clarifications about the action to be taken, you should consult your stock broker or investment consultant or the Merchant Banker to the Buyback (Karvy Investor Services Limited) or to the Registrar to the Buyback (Karvy Computershare Private Limited.). Please refer to the section “**Definition of Key Terms**” on page 3 for the definition of the capitalized terms used herein.



kaveri seed company limited

Corporate Identification Number: L01120TG1986PLC006728

Registered Office: 513-B, 5th Floor, Minerva Complex,

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

Contact Person: Mr. Vijay Kumar, CFO & Compliance Officer

CASH OFFER TO BUYBACK UPTO 29,63,000 (TWENTY NINE LAKHS SIXTY THREE THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 2/- EACH (“EQUITY SHARES”), REPRESENTING 4.48% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS AT MARCH 31, 2018, FROM ALL THE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, I.E., AUGUST 03, 2018 ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” ROUTE, AT A PRICE OF ₹ 675/- (RUPEES SIX HUNDRED AND SEVENTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT OF ₹ 2,000,025,000 (RUPEES TWO HUNDRED CRORES AND TWENTY FIVE THOUSAND ONLY) (THE “BUYBACK SIZE”).

- 1) The Buyback is in accordance with the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013, as amended (“the **Act**”) and the provisions of the Companies (Share Capital and Debentures) Rules, 2014 (“the **Share Capital Rules**”) to the extent applicable. Article 75 of the Articles of Association of the Company and in compliance with the SEBI Buyback Regulations (including any amendments, statutory modifications or re-enactments for the time being in force) and such other approvals, permissions and exemptions as may be required from time to time from BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”) (BSE and NSE collectively referred to as, the “**Recognized Stock Exchanges**”) where the Equity Shares of the Company are listed, and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board of Directors of the Company (the “**Board**”). For the purpose of this Buyback, BSE is the Designated Stock Exchange.
- 2) The Buyback size is ₹ 2,000,025,000 (Two Hundred Crores and Twenty Five Thousand Only) excluding the Transaction Costs, which represents 20.24% and 20.42% of the aggregate of the fully paid-up equity share capital and free reserves as per the last standalone and consolidated audited accounts of the Company for the financial year ended March 31, 2018 respectively (i.e., the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 25% of the aggregate of the fully paid-up equity share capital and free reserves as per the last standalone and consolidated audited financial statements of the Company.
- 3) The Letter of Offer will be sent to all Eligible Shareholders /beneficial owners as on the Record Date i.e. August 03, 2018.
- 4) The procedure for acceptance and tender of Equity Shares are set out in clause 19 and 20 respectively, of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the “**Tender Form**”) is enclosed together with this Draft Letter of Offer.
- 5) A copy of the Public Announcement published on July 23, 2018, the Draft Letter of Offer is expected to be available on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.
- 6) Equity Shareholders are advised to refer to “Details of the *Statutory Approvals*” and “*Note on Taxation*” on page 24 and page 32, respectively, of this Draft Letter of Offer, before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK OFFER

REGISTRAR TO THE BUYBACK OFFER



Karvy Investor Services Limited

Karvy House, 46, Avenue 4,

Street No.1, Banjara Hills

Hyderabad – 500034, Telangana

Tel.: +91 40-23428774/23312454

Fax: +91 40-23374714/23311968

Email: cmg@karvy.com

Website: www.karvyinvestmentbanking.com

Contact Person: Mr. M.P.Naidu/Mr.K.Santhosh Kumar

SEBI Registration No.: INM000008365

Karvy Computershare Private Limited

“Karvy Selenium Tower B”

Plot no.31 & 32, Financial District, Nanakramguda,

Gachibowli, Hyderabad – 500 032, India

Tel.: +91 40 67162222

Fax: +91 40 23431551

Email: kaveriseed.buyback@karvy.com;

Website: www.karvycomputershare.com

Contact Person: Mr. M. Muralikrishna

SEBI Registration No.: INR000000221

BUYBACK PROGRAMME

BUYBACK OPENS ON

●

BUYBACK CLOSES ON

●

LAST DATE/ TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR

●

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1. SCHEDULE OF ACTIVITIES

Activity	Day & Date
Date of the Board meeting approving the proposal for Buyback of Equity Shares	Thursday, May 24, 2018
Date of declaration of the results of postal ballot for special resolution by the Shareholders of the Company, approving the Buyback Offer	Thursday, July 19, 2018
Date of publication of Public Announcement for the Buyback	Monday, July 23, 2018
Record Date for determining the Buyback Entitlement and the names of Eligible Persons	Friday, August 03, 2018
Buyback opens on / date of opening of Buyback Offer	[●]
Buyback closes on / date of closing of Buyback Offer	[●]
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar and Transfer Agent	[●]
Last date of verification of Tender Forms by the Registrar	[●]
Last date of intimation to the Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar to the Buyback	[●]
Last date of settlement of bids on the Stock Exchange	[●]
Last date of dispatch of share certificates(s) for the equity shares not accepted under the Buyback.	[●]
Last date of Extinguishment of Equity Shares	[●]

2. DEFINITION OF KEY TERMS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI Buyback Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares tendered by Eligible shareholders in the Buyback Offer.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by BSE in the form of a separate window in accordance with the SEBI Circular.
Act	The Companies Act, 2013 as amended, along with the relevant rules framed there under
Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder and to the extent of equity shares held by such eligible shareholder on the record date.
Articles	Articles of Association of the Company as amended.
Board/ Board of Directors	Board of directors of the Company.
BSE	BSE Limited.
Buyback/ Offer/Offer	Offer by Kaveri Seed Company Limited to buy back up to maximum of 29,63,000 fully paid-up Equity Shares of face value of ₹ 2/- each at a price of ₹ 675/- per Equity Share from all the Eligible Shareholders of the Company, as on the Record Date through the Tender Offer process on a proportionate basis.
Buyback Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by that Eligible Shareholder, on the Record Date and the ratio of Buyback applicable in the category, to which such Equity Shareholder belongs.
Buyback Price	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. ₹675/- per fully paid up Equity Share, payable in cash.
Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 including any statutory modifications or re-enactments thereof.
Buyback Size	Number of Equity Shares proposed to be bought back (i.e., 29,63,000 Equity Shares) multiplied by the Buyback Price (i.e. ₹ 675 per Equity Share) aggregating to ₹2,000,025,000 (Rupees Two Hundred Crores and Twenty Five Thousand Only). The

	Buyback Size excludes the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty etc.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identification Number
Clearing Corporation /"ICCL"	Indian Clearing Corporation Limited
Company	Kaveri Seed Company Limited.
Company's Broker	Karvy Stock Broking Limited
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited.
Designated Stock Exchange	The designated stock exchange for the Buyback, being, BSE Limited.
DIN	Director Identification Number
Directors	Directors of the Company.
Draft Letter of Offer	This Draft letter of offer dated July 26, 2018 filed with SEBI July 27, 2018 through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations.
DP	Depository Participant.
Eligible Seller(s)	Person(s) eligible to participate in the Buyback Offer and would mean all Equity Shareholders as on the Record Date being August 03, 2018.
Equity Shares	Fully paid up Equity Shares of face value of ₹ 2/- each of the Company.
Equity Shareholder	Holders of the Equity Shares and includes beneficial owners thereof.
Escrow Account	The Escrow Account to be opened with [●] in the name and style of '[●]' bearing the account no. [●].
Escrow Agent	[●]
Escrow Agreement	The escrow agreement dated [●] 2018 entered into amongst the Company, Karvy Investor Services Limited and [●], pursuant to which certain arrangements for Escrow Account is made in relation to the Buy-back.
FEMA	The Foreign Exchange Management Act, 1999, as amended.
FPI	Foreign Portfolio Investors
FII(s)	Foreign Institutional Investor(s).
General Category	Eligible Shareholders other than Small Shareholders
HUF	Hindu Undivided Family.
IT Act/ Income Tax Act	The Income Tax Act, 1961, as amended.
Letter of Offer	The letter of offer to be filed with SEBI, through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations, incorporating any comments that may be received from SEBI on this Draft Letter of Offer.
LTCG	Long-Term Capital Gains
Management Rules	Companies (Management and Administration) Rules, 2014, as amended
Manager/ Manager to the Buyback Offer / Karvy	Karvy Investor Services Limited
Non-Resident Shareholders	Includes Non-resident Indians (NRI) and Foreign Institutional Investors (FII) / Foreign Portfolio Investor as defined under SEBI FPI Regulations.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
Offer Period / Tendering Period	Period of ten Working Days from the Buyback Opening Date i.e. [●], 2018 till Buyback Closing Date i.e. [●], 2018 (both days inclusive) during which the Eligible Sellers can tender their Equity Shares.
Public Announcement	Public announcement regarding the Buyback dated July 21, 2018 which was published in the Financial Express (English National Daily), Jansatta (Hindi National Daily) and Nava Telangana (Telugu Language Daily) on July 23, 2018.
RBI	Reserve Bank of India.
Recognized Stock Exchanges	Collectively, BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed.
Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer (including Tender Form) will be sent, and who are eligible to participate in the proposed Buyback offer in accordance with the Regulations. The Record Date for the Offer is August 03, 2018.
Registrar to the Buyback Offer/ Registrar	Karvy Computershare Private Limited.

SEBI	Securities and Exchange Board of India.
SEBI Circular	Circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 on “Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting”, read with Circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 on “Streamlining the Process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buy Back and Delisting of Securities” issued by SEBI.
Seller Member / Seller Broker	A Stock Broker of an Eligible Seller, through whom the Eligible Seller wants to participate in the Buyback
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
Share Capital Rules	Companies (Share Capital and Debentures) Rules, 2014, as amended
Small Shareholder	As defined under Regulation 2(1a) of the SEBI Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than ₹ 2,00,000 (Rupees two hundred thousand), on the basis of closing price on BSE/ or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date (August 03, 2018).
STCG	Short-Term Capital Gains
Tender Form	Form of Acceptance–cum–Acknowledgement.
Tender Offer	Method of Buyback as defined in Regulation 2(1) (o) of the Buyback Regulations.
TRS	Transaction Registration Slip
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations.

3. DISCLAIMER CLAUSE

As required, a copy of this Draft Letter of Offer has been submitted to SEBI.

It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buyback, Karvy Investor Services Limited, has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013 and Buyback Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. Pursuant to this requirement, the Manager to the Buyback, Karvy Investor Services Limited, has furnished to SEBI a Due Diligence Certificate dated July 26, 2018 in accordance with the Buyback Regulations, which reads as follows:

“We have examined various documents and materials contained in the annexure to this letter as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement dated July 21, 2018, and published on July 23, 2018 and the Draft Letter of Offer dated July 26, 2018. On the basis of such examination and the discussions with the Company, we hereby state that:

- *the Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback.*
- *all the legal requirements connected with the said offer including SEBI (Buyback of Securities) Regulations, 1998, as amended, have been duly complied with.*
- *the disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer; and.*
- *funds used for the Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”*

The filing of offer document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, as amended or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback

The Promoters/ Directors of the Company hereby declare and confirm that no information/ material likely to have a bearing on the decision of Eligible Sellers has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the Promoters/Directors of the Company and the Company shall be liable for penalty in terms of the provisions of the Companies Act, and the Buyback Regulations.

The promoters of the Company/ Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

Important Notice to All Shareholders

This Draft Letter of Offer has been prepared for the purposes of compliance with the regulations of the Buyback Regulations. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer.

This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. The Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Draft Letter of Offer are requested to inform

themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

Forward Looking Statement:

This Draft Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

4. TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on May 24, 2018. The extracts of the Board resolution are as follows:

RESOLUTION:

Buyback of Equity shares

“RESOLVED THAT pursuant to Article 75 of the Articles of Association and the provisions of Section 68, 69, 70 and other applicable provisions, if any of the Companies Act, 2013 (**the “Act”**) as amended (the “Act”), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) (the “Share Capital Rules”) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended (**the “Buyback Regulations”**), including any amendments, statutory modifications or re-enactments thereof for the time being in force, and subject to the approval of the members of the Company by way of a special resolution, and subject to such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**) to exercise powers conferred by this resolution, consent of the Board be and is hereby accorded for buyback not exceeding **29,63,000** (Twenty Nine Lakhs Sixty Three thousand Only) fully paid up equity shares (representing 4.48% of the total paid-up equity share capital of the Company as on March 31, 2018) of the face value of Rs.2/- (Rupees Two Only) each (hereinafter referred to as the “Equity Shares” or “Shares”) at a price of **Rs.675/-** (Rupees Six Hundred Seventy Five Only) per equity share payable in cash (**“Buyback Price”**) for an aggregate amount up to ₹ 2,000,025,000/- (Rupees Two Hundred Crores Twenty Five Thousand Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., (**“Buyback Size”**), **representing 20.24% and 20.42%** of the aggregate of the Standalone and Consolidated 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, 2018, **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 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 required under Regulation 6 of the Buy-back Regulations, the company shall buy-back the equity shares from the equity shareholders on a proportionate basis under the Tender Offer, provided 15% of the number of equity shares which the company proposes to buy-back or number of equity shares entitled as per the shareholding of shareholders as on Record date, whichever is higher, shall be reserved for small shareholders in accordance with the provisions of the Buy-back Regulations.”

“RESOLVED FURTHER THAT the Company shall earmark adequate sources of funds for the purpose of the Buy-back Offer and the amount required by the Company for the Buy-back Offer is intended to be met out of the Company's free reserves and/ or current surplus and / or cash and cash equivalents and / or internal accruals and / or liquid resources and/ or such other permissible sources of funds (and not from any borrowed funds) of the Company as the Board or a duly authorized representative thereof may decide from time to time.”

"RESOLVED FURTHER THAT the Company shall implement the Buyback using the "Acquisition Window Mechanism for acquisition of shares through Stock Exchange" as notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CPD/ DCR2/ CIR/ P/ 2016/131 dated December 09, 2016 as amended from time to time and the Company shall approach BSE Limited to act as the designated stock exchange for the proposed Buy -back Offer."

"RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses."

"RESOLVED FURTHER THAT all of the shareholders of the Company who hold Equity Shares as on the Record Date will be eligible to participate in the Buyback including promoters, promoter group and persons in control of the Company who hold equity shares of the Company as on the Record Date."

"RESOLVED FURTHER THAT the Buyback of shares from Non-Resident Shareholders, Overseas Corporate Bodies, Shareholders of foreign nationality etc. shall be subject to such approval of the Reserve Bank of India, if any, as may be required under the Foreign Exchange Management Act, 1999."

"RESOLVED FURTHER THAT the Buyback shall be made out of the free reserves of the Company as at March 31, 2018 based on the audited accounts of the Company for the financial year ended March 31, 2018."

"RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (the "Listing Regulations")."

"RESOLVED FURTHER THAT the amount required by the Company for the Buyback is intended to be met out of the sources permitted under the Act and the Regulations and on such terms and conditions as the Board may decide from time to time at its absolute discretion."

"RESOLVED FURTHER THAT as required by Clause (ix) and (x) of Part A of Schedule II read with Regulation 5(1) of the Buy-back Regulations, the Board hereby confirms:

- i. That there are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon, redemption of preference shares or payment of dividend due to any shareholder, or repayment of term loans or interest payable thereon to any financial institutions or banking company; and the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound -up under the provisions of Act, the Board have formed an opinion:
 - a) that immediately following the date of this Board meeting and the date on which the results of postal ballot approving the Buyback will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
 - b) that as regards its prospects for the year immediately following the date of this Board meeting and the date on which the results of postal ballot approving the Buyback will be declared, having regard to the Board's 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 Board's view, 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 this Board meeting or as the case may be, within a period of one year from the date on which the results of postal ballot approving the Buyback will be declared; and;

"RESOLVED FURTHER THAT in terms of Section 68(6) of the Act read with Regulation 8(7) of the Buy-back Regulations, the draft of the declaration of solvency prepared in the prescribed form and supporting affidavit, the statement of assets and liabilities in the prescribed form SH-9 as on 31st March, 2018 as per draft placed before the Board be and is hereby approved and that the Board severally authorises Mr. G V Bhaskar Rao, Chairman and Managing Director, Mr. Mithun Chand Chennamaneni, Whole Time Director, Mr. Vamsheedhar Chennamaneni, Whole Time Director, Mr. G Vijay Kumar, Chief Financial Officer and Mr. V.R.S.Murti, Company Secretary to sign the same for and on behalf of the Board, and to file or cause to file the same with the Registrar of Companies, Andhra Pradesh and Telangana ("ROC") and the SEBI."

"RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded for the appointment of Karvy Investor Services Limited as Manager to the Buy-back Offer."

"RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buy-back Regulations, Mr. G.Vijay Kumar, CFO, be and is hereby appointed as the Compliance Officer for the Buy-back Offer and Karvy Computershare Private Limited, as Registrar to the Buyback offer."

"RESOLVED FURTHER THAT M/s. L.D.Reddy & Co., Company Secretaries be and is hereby appointed as a Scrutinizer under Section 110 read with Rule 22 of Companies (Management and Administration) Rules 2014 of the Companies Act, 2013 to submit his report within such time as may be prescribed, to the Chairman and be paid such remuneration as the Board may deem fit for the services rendered by him as a Scrutinizer".

"RESOLVED FURTHER THAT the Board confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- a) All the equity shares for Buy Back are fully paid-up;
 - b) The Company, as per provisions of Section 68(8) of the Act, shall not make further issue of the same kind of equity shares or other specified securities within a period of six months after the completion of the Buy Back except by way of bonus shares or equity shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;
 - c) The Company shall not raise further capital for a period of one year from the closure of the Buy Back, except in discharge of subsisting obligations;
 - d) 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;
 - e) The Company shall not buy back its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buy Back;
 - f) That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Act;
 - g) That funds borrowed from Banks and Financial Institutions will not be used for the Buy Back
 - h) The aggregate amount of the Buy Back i.e. Rs.2,00,00,25,000 (Rupees Two Hundred Crores and Twenty Five Thousand Only) does not exceed 25% of the total paid-up capital and free reserves of the Company as on March 31, 2018;
 - i) The Company shall not make any offer of buyback within a period of one year reckoned from the date of closure of the Buy Back;
 - j) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date; and
 - k) The Company will not withdraw the Buy-back Offer after the draft letter of offer is filed with the Securities Exchange Board of India ("SEBI"); and
 - l) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up share capital and free reserves after the Buy Back.
 - m) There are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of any term loans to any financial institution or banks;
- a) **RESOLVED FURTHER THAT** Mr. Gundavaram Venkata Bhaskar Rao, Chairman and Managing Director, Mr. Mithun Chand Chennamaneni, Whole Time Director, Mr. Vamsheedhar Chennamaneni, Whole Time Director, Mr .G. Vijay Kumar, CFO of the Company and Mr.V.R.S.Murti, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper with regard to the implementation of the Buyback, including, but not limited to, the following: Within the limits of Maximum Buy-back price and Maximum Buy-back Size, to determine the specific price at which the Buy-back will be made, the total size of Buy-back and the number of securities to be bought back;
- b) The appointment of Merchant Bankers, Brokers, Lawyers, Registrars and other Advisors, Scrutinizer, Consultants, Representatives or any other intermediaries /agencies required to be appointed for the implementation of the Buy-back;
 - c) Nominate an investors service centre to redress the grievances of the investors;
 - d) To fix the record date in accordance with the Buy-back Regulations for determining the entitlement of shareholders to participate in Buy-back;
 - e) To seek Shareholders approval through Postal Ballot / E-voting and to do all necessary actions related thereto, including approving Postal Ballot Notice, etc;
 - f) The making of all requisite applications to the appropriate authorities for their requisite approvals and filing of intimations with the stock exchange and any other authorities as required under the Buy-back Regulations;
 - g) To prepare and file with the Registrar of Companies and Securities and Exchange Board of India the Declaration of Solvency along with annexures thereof;
 - h) To initiate all necessary actions for preparation, modification, making alterations, additions, deletions, variations, amendments or correction, approving and filing of various documents including the Public Announcement, Letter of Offer, Declaration of Solvency, Certificate of Extinguishment of shares and all other documents required to be filed in connection with Buy-back

with the Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, National Securities Depository Limited, Central Depository Services (India) Limited and other appropriate authorities;

- i) The opening, operation and closure of all necessary accounts including Demat Account, Escrow Account, Special Account(s) and any other bank account(s) and Depository Account for the purpose of Buy-back and authorize officials to operate the said accounts;
- j) Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;
- k) To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buy-back;
- l) Extinguishment of share certificates, filing of corporate action forms and Certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Board;
- m) Make public announcement / issue notice on completion of Buy-back etc. in the newspapers as required under the Buy-back Regulations
- n) To sign the documents as may be necessary with regard to the Buyback and use the Common Seal of the Company on relevant documents required to be executed for the Buyback of shares and take all such actions required for undertaking the Buy-back;
- o) To delegate all or any of the authorities conferred as above to any Officer(s), Authorized Representative(s) of the Company to give effect to the aforesaid resolution and to revoke and substitute such delegation/ sub-delegation of authority from time to time."

"**RESOLVED FURTHER THAT** a copy of the foregoing resolution certified by any of the Director of the Company or the Company Secretary be forwarded to concerned persons/ authorities and they be requested to act thereon."

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

As per Regulation 8(1) of the Buyback Regulations, the Company has made a Public Announcement dated July 21, 2018 for the Buyback of Equity Shares published on in the following newspapers, which is within two working days from the date of passing the shareholders resolution of the Company approving the Buyback i.e. July 19th, 2018.

Name of the Newspaper	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Nava Telangana	Telugu	Hyderabad

(The Public Announcement is available on the SEBI website at www.sebi.gov.in, and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com.)

6. DETAILS OF THE BUYBACK OFFER

- 6.1 The Board of Directors of the Kaveri Seed Company Limited in its meeting held on May 24, 2018 has announced (the "**Board Meeting**") the buyback of upto 29,63,000 (Twenty Nine Lakhs, Sixty Three Thousand Only) fully paid-up Equity Shares of face value of ₹ 2/- each from all the Eligible Shareholders of the Company as on the Record Date, on a proportionate basis, through the Tender Offer route, subject to compliance with the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, the Buyback Regulations, the SEBI Listing Regulations and applicable rules and regulations as specified by RBI, amongst others, at the Buyback Price of ₹675/- per Equity Share payable in cash, for an aggregate maximum amount of ₹ 2,000,025,000 (Rupees Two Hundred Crores and Twenty Five Thousand Only), which is 20.24% and 20.42% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone and consolidated audited accounts of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 25% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone and consolidated audited financial statements of the Company. The maximum number of Equity Shares proposed to be bought back represents 4.48% of the total number of Equity Shares in the total paid up equity share capital of the Company as at March 31, 2018.
- 6.2 The Equity Shareholders of the Company have approved the buyback by way of a Special Resolution through postal ballot (including E-Voting) pursuant to a postal ballot notice dated May 24, 2018 ("**Notice**"), the results of which were announced on July 19, 2018.

- 6.3 The Buyback is proposed to be implemented by the Company through Tender Offer Method as prescribed under the Buyback Regulations read with the SEBI Circular, using “Mechanism for acquisition of shares through Stock Exchange” or such other mechanism as may be applicable, from all the Eligible Sellers, on a proportionate basis. However, 15% of the number of Equity Shares which the Company proposes to buy back or number of Equity Shares entitled as per their shareholding whichever is higher, shall be reserved for Small Shareholders.
- 6.4 The aggregate shareholding of the Promoters /Promoter Group and the persons who are in control of the Company and of Directors and Key Managerial Personnel of the Company, as on the date of Notice i.e., May 24, 2018 and July 19, 2018 being the date on which the results of postal ballot were declared is given below:

(i) Shareholding of the Promoters/Promoter Group and Persons in Control of the Company:

Sr. No.	Name of Shareholder	No. of Equity Shares held	% of Issued Equity Share Capital	No. of Equity Shares held	% of Issued Equity Share Capital
		As on May 24, 2018		As on July 19, 2018	
1	Venkata Bhaskar Rao Gundavaram (HUF)	1,08,19,018	16.37%	1,08,19,018	16.37%
2	Gundavaram Venkata Bhaskar Rao	58,05,735	8.78%	58,05,735	8.78%
3	Vanaja Devi Gundavaram	1,51,83,341	22.97%	1,51,83,341	22.97%
4	Pawan Gundavaram	24,14,890	3.65%	24,14,890	3.65%
5	Vamsheedhar Chennamaneni	10,58,087	1.60%	10,58,087	1.60%
6	Mithunchand Chennamaneni	9,28,895	1.41%	9,28,895	1.41%
	Total	3,62,09,966	54.79%	3,62,09,966	54.79%

Apart from the above, no other member forming part of the promoter/ promoter group hold any equity shares in the company.

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

Sr. No.	Name	Designation	No. of Equity Shares held	Percentage of issued Equity Share Capital
1	Gundavaram Venkata Bhaskar Rao	Chairman & Managing Director	58,05,735	8.78%
2	Vanaja Devi Gundavaram	Whole Time Director	1,51,83,341	22.97%
3	Pawan Gundavaram	Director	24,14,890	3.65%
4	Vamsheedhar Chennamaneni	Whole Time Director	10,58,087	1.60%
5	Mithunchand Chennamaneni	Whole Time Director	9,28,895	1.41%

Apart from the above, none of the other Directors or Key Managerial Personnel of the Company holds any equity share in the Company.

- 6.5 No equity shares or other specified securities of the Company were either purchased or sold by any (i) Promoter (ii) Member of Promoter group and (iii) Persons who are in control of the company during the period of twelve months preceding the date of the Public Announcement i.e., July 21, 2018 except for the shares tendered in the previous BuyBack.
- 6.6 In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Promoter Group, being in control of the Company, have an option to participate in the Buyback. In this regard, the of Promoter/ Promoter Group have expressed their intention to participate in the Buyback and may tender up to an aggregate maximum of 15,00,000 Equity Shares or such lower number in accordance with the buyback regulations vide their letters dated May 25, 2018.

Sr. No.	Name of Shareholder	Maximum Number of Shares which may be tendered
1.	Venkata Bhaskar Rao Gundavaram (HUF)	4,48,178
2.	Gundavaram Venkata Bhaskar Rao	2,40,502
3.	Vanaja Devi Gundavaram	6,28,971
4.	Pawan Gundavaram	1,00,037
5.	Vamsheedhar Chennamaneni	43,832
6	Mithunchand Chennamaneni	38,480
	Total (A)	15,00,000

6.7 The details of the date and price of acquisition of the Equity Shares that the Promoters intend to tender are set out below:

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	10.00	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	10.00	23,16,000
28.01.2013	(67,871)	Market sale	6,78,710	1,402.00	22,48,129
Split of Each equity share of ₹10 each into Five equity shares of ₹ 2 Each					1,12,40,645
03.08.2017	(4,21,627)	Buyback of Shares	8,43,254	675.00	1,08,19,018

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	10.00	100
26.02.1991	12,400	Allotment	1,24,000	10.00	12,500
29.03.1996	44,000	Allotment	4,40,000	10.00	56,500
27.06.2005	3,90,000	Allotment	39,00,000	10.00	4,46,500
23.06.2006	6,50,000	Allotment	65,00,000	10.00	10,96,500
26.07.2006	1,43,500	Purchase	14,35,000	50.00	12,40,000
29.07.2006	(3,00,000)	Sale	30,00,000	50.00	9,40,000
01.08.2006	(71,000)	Sale	7,10,000	50.00	8,69,000
01.08.2006	(5,79,000)	Sale	57,90,000	10.00	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	10.00	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	4,58,520	229.17	12,93,852
22.08.2009	43,401	Market Purchase	4,34,010	214.89	13,37,253
09.09.2009	21,145	Market Purchase	2,11,450	220.80	13,58,398
22.09.2009	48,000	Market Purchase	4,80,000	222.62	14,06,398
26.03.2011	(50,000)	Gift	5,00,000	NA	13,56,398
26.03.2011	(50,000)	Gift	5,00,000	NA	13,06,398
13.07.2012	(50,000)	Gift	5,00,000	NA	12,56,398
13.07.2012	(50,000)	Gift	5,00,000	NA	12,06,398
Split of Each equity share of ₹ 10 each into Five equity shares of ₹ 2 Each					60,31,990
03.08.2017	(2,26,255)	Buyback of Shares	4,52,510	675.00	58,05,735

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	10.00	100
26.02.1991	8,900	Allotment	89,000	10.00	9,000
29.03.1996	30,000	Allotment	3,00,000	10.00	39,000
27.06.2005	5,95,000	Allotment	59,50,000	10.00	6,34,000

26.07.2006	(97,000)	Sale	9,70,000	50.00	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	10.00	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
03.08.2017	(5,91,709)	Buyback of Shares	11,83,418	675.00	1,51,83,341

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	10.00	2,000
29.03.1996	12,500	Allotment	1,25,000	10.00	14,500
27.06.2005	99,000	Allotment	9,90,000	10.00	1,13,500
26.07.2006	(14,500)	Sale	1,45,000	50.00	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	10.00	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
03.08.2017	(94,110)	Buyback of Shares	1,88,220	675.00	24,14,890

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	3,9,6820	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	806.70	10,99,320
03.08.2017	(41,233)	Buyback of Shares	82,466	675.00	10,58,087

Mithunchand Chennamaneni					
Date	No. of Shares	Nature of Transaction	Nominal Value (In ₹)	Issue Price / Transfer Price (In ₹)	Cumulative No. Shares
26.07.2006	4,000	Gift received from Raghupathi Rao Rangineni	40,000	NA	4,000
04.08.2006	4,000	Bonus	-40,000	NA	8,000
20.09.2006	8,000	Rights	80,000	10.00	16,000
20.09.2006	60,000	Gift received from Gundavaram Venkata Bhaskar Rao	6,00,000	NA	76,000
10.12.2009	3,000	Market Purchase	30,000	211.31	79,000
03.05.2010	1,175	Market purchase	11,750	300.00	80,175
02.04.2011	22,614	Market purchase	2,26,140	333.57	1,02,789
26.07.2011	6,500	Market purchase	65,000	330.00	1,09,289
13.10.2011	5,200	Market purchase	52,000	479.00	1,14,489
26.03.2011	50,000	Gift from Gundavaram Venkata Bhaskar Rao	5,00,000	NA	1,64,489
19.01.2012	60,000	Market purchase	6,00,000	474.00	2,24,489
13.07.2012	50,000	Gift from Gundavaram Venkata Bhaskar Rao	5,00,000	NA	2,74,489
28.01.2013	70,800	Market purchase	7,08,000	1402.00	3,45,289
07.03.2013	(2,512)	Market sale	25,120	1295.00	3,42,777
28.03.2013	(1,553)	Market sale	15,530	1198.00	3,41,224
02.08.2013	(22,245)	Market sale	2,22,450	1534.64	3,18,979
Split of Each equity share of ₹ 10 each into Five equity shares of ₹ 2 Each					15,94,895
10.06.2014	(6,66,000)	Market sale	13,32,000	654.00	9,28,895

6.8 For details with respect to aggregate shareholding of Promoters / Promoter Group and Persons in Control Post-Buyback please refer clause 13 of this Draft Letter of Offer.

6.9 After the completion of the Buyback, the shareholding of the Equity Shareholders other than the Promoters / Promoter Group and Persons in Control shall not fall below the minimum level required as per Regulation 38 of the SEBI Listing Regulations.

7. AUTHORITY FOR THE BUYBACK

Pursuant to the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Article 75 of the Articles of Association of the Company and subject to the provisions of the Buyback Regulations, the SEBI Listing Regulations and such other approvals, permissions and exemptions as may be required from time to time from Stock Exchanges, where the Equity Shares of the Company are listed, and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board, the Buyback through a tender offer has been duly authorised by a resolution passed by the Board of Directors at its meeting held on May 24, 2018 and by the shareholders of the Company through postal ballot (including E-Voting), the results of which were announced on July 19, 2018 (which is deemed to be the date of passing the special resolution by the shareholders).

8. NECESSITY OF THE BUYBACK

8.1 Buyback will be beneficial to the Company and its Equity Shareholders, inter-alia, for the following reasons:

- 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 additional investment.
- v. Optimizes the capital structure.

8.2 After considering the above mentioned factors and benefits to the Equity Shareholders, the Board of Directors decided to recommend Buyback of up to 29,63,000 (Twenty Nine Lakhs Sixty Three Thousand Only) Equity Shares of ₹2 each (representing 4.48% of the total number of the equity share capital of the Company as at March 31, 2018) at the Offer Price of ₹ 675 (Rupees Six Hundred and Seventy Five Only) per Equity Share not exceeding ₹ 2,000,025,000 (Rupees Two Hundred Crores and Twenty Five Thousand Only).

9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

- 9.1 The Company believes the Buyback is not likely to cause any material impact on the profitability or earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full response to the Buyback, the funds deployed by the Company towards the Buyback would be ₹ 2,000,025,000 (Rupees Two Hundred Crores and Twenty Five Thousand Only), excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty etc. This shall impact the investment income earned by the company on account of reduced funds available.
- 9.2 We believe the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.
- 9.3 The Buyback is expected to contribute to the overall enhancement of shareholder value, and result in an increase in the return on equity of the Company.
- 9.4 The Promoters and Promoter Group (the “**Promoter Group**”) have expressed their intention to participate in the Buyback and offer up to an aggregate maximum of 15,00,000 Equity Shares or such lower number of shares as required in compliance with the Buyback Regulations. For details in regard to the intention of the Promoter Group to participate in the Buyback and the maximum number of Equity Shares to be tendered, kindly refer to clause 6.6 of this Draft Letter of Offer.
- 9.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buyback Entitlement, the aggregate shareholding of the Promoters and Promoter Group post the Buyback will increase from - 54.79% which is the Promoter and Promoter Group holding as at date, to 54.98% of the post Buyback Equity Share capital of the Company.
- 9.6 The Buyback of Equity Shares shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.7 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of each such person may undergo a change.
- 9.8 The debt-equity ratio after the completion of the Buyback will be within the permissible limit of 2:1 prescribed by the Companies Act, even if the response to the Buyback is to the extent of 100% (full acceptance).

- 9.9 The Promoters and Promoter Group of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of *inter-se* transfer(s) of Equity Shares among the Promoters and Promoter Group during the period from the date of Shareholders resolution approving the Buyback till the closing of the Offer.
- 9.10 The Company shall not raise further capital for a period of one year from the closure of the Buyback except in discharge of its subsisting obligations.
- 9.11 The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.
- 9.12 Salient financial parameters consequent to the Buyback based on the latest audited results as on March 31, 2018 are as under:

Parameter	Standalone		Consolidated	
	Pre-Buyback*	Post Buyback*	Pre-Buyback*	Post Buyback*
Networth (₹ in Lakhs)	102,123.13	82,122.88	101,183.12	81,182.87
Return on Networth (%)	20.60	25.61	20.89	26.04
Basic Earnings per Share (₹)	31.36	33.32	31.49	33.49
Book Value per Share (₹)	154.52	130.09	153.09	128.60
P/E as per the latest audited financial results [§]	19.28	18.14	19.20	18.05
Total Debt/Equity Ratio (Total Debt/Net worth) [#]	0.002	0.002	0.003	0.004

* Pre and Post Buyback Calculations are based on financial numbers as on March 31, 2018. The post Buyback numbers are calculated by reducing the net worth by the proposed buyback amount (assuming full acceptance) without factoring in any impact on the profit & loss account.

1) Return on Net Worth = Net profit for the period / Net Worth

2) Total Debt = Borrowings + Current Maturities of long term debt

3) Basic EPS = PAT / Weighted Average Number of equity shares outstanding (outstanding shares in case of Post Buy-back)

4) Book Value per Share = (Equity Share Capital + Reserves & Surplus) / Total Outstanding Shares

5) Debt Equity Ratio = Total Debt as defined above / Total Net Worth

[§] P/E Ratio based on the closing market price as on July 23, 2018, the date of publication of the Public Announcement ₹604.50 on NSE.

10. BASIS OF CALCULATING THE BUYBACK PRICE

- 10.1 The Buyback Price per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on BSE and NSE, the networth of the Company and the impact of the Buyback on the key financial ratios of the Company.
- 10.2 The closing market price of the Equity Shares as on the date of intimation of the date of the Board meeting for considering the Buyback, May 14, 2018 was ₹ 503.50 and ₹ 505.50 on BSE and NSE respectively, and the Buyback Offer Price of ₹ 675/- (Rupees Six Hundred and Seventy Five Only) per equity share represents a premium of 34.06 % and 33.53 % over the closing price of the Equity Shares on BSE and NSE, respectively.
- 10.3 The Offer Price per Equity Share represents a premium of 31.25% and 31.24% over the average closing prices of the Company's Equity Shares on BSE and NSE respectively for 6 months preceding the date of intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback, being May 14, 2018 and 32.82% and 32.81% over the average closing prices of the Company's equity shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback.
- 10.4 The basic earnings per Equity Share of the Company pre Buy-back as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is ₹ 31.36 and ₹ 31.49 on a standalone and consolidated basis respectively, which will increase to ₹ 33.32 and ₹ 33.49 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.
- 10.5 The return on net worth of the Company pre Buyback as on March 31, 2018 is 20.60% and 20.89% on a standalone and consolidated basis respectively, which will increase to 25.61% and 26.04% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

11. SOURCES OF FUNDS FOR THE BUYBACK

Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be ₹2,000,025,000 (Rupees Two Hundred Crores and Twenty Five Thousand only).

The funds for the Buyback will be sourced from current balances of cash and cash equivalents and/or internal accruals of the Company and/or liquidation of financial instruments held by the Company. The Company shall transfer from its free reserve / securities premium account a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, funds from banks and financial institutions will not be used for the Buyback.

12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- 12.1 In accordance with Regulation 10 of the Buyback Regulations, the Company has appointed [●], having its registered office at [●], as the Escrow Agent for Buy-back and an Escrow Agreement has been entered into amongst the Company, Karvy Investor Services Limited and Escrow Agent namely [●] on [●] 2018.
- 12.2 In accordance with the Buyback Regulations, the Company proposed to open an Escrow Account in the name and style of “[●]” bearing account number [●] with the Escrow Agent. In accordance with Regulation 10 of the Buyback Regulations, the Company will deposit ₹ [●] in the Escrow Account. The Manager to the Buyback will be empowered to operate the Escrow Account in accordance with Buyback Regulations.
- 12.3 The Company has adequate and firm financial resources to fulfill the obligations under the Buyback and the same has been certified by the statutory auditors to the Company. M.Bhaskara Rao & Co., Chartered Accountants, Firm Registration No. 000459S, Partner Vikas Chobey, Membership No.223363, located at 5-D, Fifth Floor, ‘KAUTILYA’, 6-3-652, Somajiguda, Hyderabad 500082, vide their certificate dated May 24, 2018.
- 12.4 Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The present capital structure of the Company is as follows:

(₹ in Lakhs)	
Parameters	Pre-Buyback
Authorized Share Capital	
10,00,00,000 Equity Shares of ₹ 2/- each	2,000.00
Issued, Subscribed and Paid-up Share Capital	
66,092,133 Equity Shares of ₹ 2/- each	1,321.84

Assuming full acceptance in the Buyback, the capital structure of the Company post Buyback would be as follows:

(₹ in Lakhs)	
Parameters	Post-Buyback
Authorized Share Capital	
10,00,00,000 Equity Shares of ₹ 2/- each	2,000.00
Issued, Subscribed and Paid-up Share Capital	
63,129,133 Equity Shares of ₹ 2/- each	1,262.58

13.2 Details of Buy back done by the Company in the past three financial years

No. of Equity Shares Brought Back	Buy Back Price (₹)	Opening Date	Closing Date	Method
29,62,962	675/-	July 10, 2017	July 21, 2017	Tender

13.3 There are no partly paid up Equity Shares or calls in arrears or convertible instruments or preference shares as on the date of this Draft Letter of Offer.

13.4 The shareholding pattern of the Company pre-Buyback as on August 03rd, 2018 (the Record Date) as well as the post Buyback shareholding is as follows:

Category of Shareholder	Pre Buyback		Post Buyback#	
	No. of Shares	% to the existing Equity Share capital	No. of Shares	% to the existing Equity Share Capital
Promoters and persons acting in Concert (Collectively “the Promoters”)	[•]	[•]	[•]	[•]
Foreign Investors (Including Non-Resident Indians, FIIs and Foreign Mutual Funds)	[•]	[•]	[•]	[•]
Financial Institutions/Banks & Mutual Funds promoted by Banks/Institutions	[•]	[•]		
Others (Public, Public Bodies Corporate etc.)	[•]	[•]		
Total	[•]	100.00	[•]	100.00

#Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders of the Equity Shares up to their Buyback Entitlement.

13.5 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act.

14. BRIEF INFORMATION OF THE COMPANY

14.1 HISTORY OF THE COMPANY

The Company was incorporated as “Kaveri Seed Company Private Limited” under the Companies Act, 1956 with the Registration No. 6728 of 1986-87 and is promoted by Mr. Gundavaram Venkata Bhaskar Rao, and Mrs. Gundavaram Vanaja Devi.

In 1997, the Company set up a Seed Processing Plant at Biramulguda near Hyderabad. In the same year the Company introduced sunflower hybrid seeds. In the year 2002, the Promoters entered into a complementary business of Bio-Products and Micro-Nutrients for which they set up a partnership firm under the name and style of M/s. Kaveri Agritek for manufacturing and marketing bio-products and micro-nutrients under the brand ‘Microteck’.

On November 7, 2006 the Company was converted into a public limited company and a fresh certificate of incorporation was issued by the RoC in the name of “Kaveri Seed Company Limited”.

The Company is mainly into the business of production, processing and marketing of high quality hybrid seeds for different crops like cotton, corn, sunflower, paddy, grain sorghum, etc. and have recently forayed into micronutrients and bio-products. The company produces non-hybrid seeds, primarily for paddy.

The Company is a leading provider of crop solutions to the farmer by supplying high yielding hybrid seeds and crop management namely micronutrients, bio-products etc. The Company is engaged in research and development in the areas of superior breeding programs and biotechnology tools that will enable them to develop highly effective and differentiated hybrid seeds, micronutrients and bio-products.

The Company has achieved a consolidated revenue of ₹ 84,304.55 lakhs for the FY ended 2018 as per the financial statements prepared in accordance with Indian Accounting Standards.

The Equity Shares of the Company are listed on the NSE (Code: KSCL) and on the BSE (Code: 532899) since the year 2007.

14.2. Details of changes in share capital of the Company since incorporation is as follows:

Date of Issue/ Allotment / Reduction	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Particulars of Issue/Allotment	Consideration	Cumulative Equity Share Capital (₹)	
27.08.1986	200	10	10	Subscription to the Memorandum	Cash	2,000	
26.02.1991	33,300	10	10	Preferential Allotment	Cash	3,35,000	
28.03.1996	1,16,500	10	10	Preferential Allotment	Cash	15,00,000	
27.06.2005	14,50,000	10	10	Preferential Allotment	Cash	1,60,00,000	
23.06.2006	6,50,000	10	10	Preferential Allotment	Cash	2,25,00,000	
04.08.2006	22,50,000	10	-	Bonus(1:2)	Other than Cash	4,50,00,000	
20.09.2006	45,00,000	10	10	Rights(1:2)	Cash	9,00,00,000	
20.09.2006	5,00,000	10	-	Acquisition of M/s. Kaveri Agritek(India) Private Limited	Other than Cash	9,50,00,000	
15.02.2007	2,00,000	10	10	Private Placement	Cash	9,70,00,000	
04.10.2007	40,02,184	10	170	IPO	Cash	1,37,021,840	
02.04.2013	46,257	10	170	ESOP	Cash	13,74,84,410	
28.01.2014	68,742,205	Split of Equity shares of ₹ 10 each into ₹ 2 each					13,74,84,410
09.04.2014	1,53,990	2	34	ESOP	Cash	13,77,92,390	
13.04.2015	1,58,900	2	34	ESOP	Cash	13,81,10,190	
03.08.2017	(29,62,962)	2	675	Buyback of Shares	Cash	13,21,84,266	

14.3. The details of the Board of Directors of the Company are as follows:

Name, Age and DIN	Designation	Educational Qualification and Occupation	Director on the Board since	Other Directorships
Mr. Gundavaram Venkata Bhaskar Rao Age:68 Years DIN: 00892232	Chairman and Managing Director	Qualification: B.Sc (Agricultural Sciences) Occupation: Business	27-08-1986	1.G V B Constructions Pvt Limited 2.Swadeshi Bio-Technics Limited 3.Swarnabharat Bio-Technics Pvt Limited 4.Ganga Kaveri Health Care Pvt Limited 5.Kexveg India Pvt Limited 6.Kaveri Microteck Pvt Limited 7.Genome Agritech Pvt Limited 8.Aditya Agri Tech Pvt Limited 9. Kaveri Bhaskar Rao Charitable Foundation. 10. Genomix Agri Genetics Pvt Ltd 11. Agcom Exports Private Limited
Mrs.GundavaramVanaja Devi Age:66 Years DIN:00328947	Whole Time Director	Qualification: Graduate Occupation: Business	27-08-1986	1.Kexveg India Pvt Limited 2.Kaveri Microteck Pvt Limited 3.GVB Constructions Pvt Ltd 4.Kaveri Bhaskar Rao Charitable Foundation
Mr. Gundavaram Pawan Age:38 Years DIN:00768751	Director	Qualification: M.B.B.S Occupation: Business	18-09-2006	1.Ganga Kaveri Healthcare Pvt. Ltd

Name, Age and DIN	Designation	Educational Qualification and Occupation	Director on the Board since	Other Directorships
Mr.Chennamaneni Vamsheedhar Age: 47 Years DIN: 01458939	Whole Time Director	Qualification: Graduate Occupation: Business	18-09-2006	1.Aditya Agri Tech Pvt Limited 2.Genome Agritech Pvt Limited 3.Genomix Agri Genetics Private Limited
Mr.Chennamaneni Mithun Chand Age: 41 Years DIN: 00764906	Whole Time Director	Qualification: MBA Occupation: Business	27-09-2011	1.Kaveri Microteck Pvt Limited 2. Agcom Exports Private Limited
Dr. S.Raghuvardhan Reddy Age: 71 Years DIN: 01992206	Independent Director	Qualification: PhD in Agricultural Sciences Occupation: Business	21-10-2010	Nil
Mr. K. Purushotham Age:71 Years DIN:01540645	Independent Director	Qualification: B.Sc(Agricultural Sciences) Occupation: Business	14-02-2013	1.Rithwik Projects Pvt Limited 2.KJS Investments And Financial Services Private Limited.
Mr. Puskar Vara Prasada Rao Age:69 DIN:01971782	Independent Director	Qualification: B.Sc(Agricultural Sciences) Occupation: Business	31-01-2008	1.Green Bricks India Pvt Limited 2.VSP Security Packaging Systems Pvt Limited 3. Vensa Infrastructure Limited
Dr. S.M.Ilyas Age: 70 Years DIN: 03542011	Independent Director	Qualification: Agricultural Engineer Occupation: Business	16-05-2011	Nil
Mrs. Musinipally Chaya Ratan Age: 65 Years DIN: 08085687	Additional Director	Qualification: M.Sc.,Economics, IAS (Rtd) Occupation: Business	24-05-2018	Nil

14.4 The details of changes in the Board of Directors during the last 3 years are as under:

Director Name and DIN	Designation	Appointment/ Cessation/ Re-appointment/ Change in designation	Effective date	Reason
Mr. R.Venumanohar Rao	Whole Time Director	Cessation	01-04-2016	Personal Reasons
Mr. M. Srikanth Reddy	Independent Director	Cessation	24-05-2018	Personal Reasons
Mrs. Yeshwant Laxman Nene	Independent Director	Cessation	15.01.2018	Expired
Mrs. Musinipally Chaya Ratan	Additional Director	Appointment	24-05-2018	--

14.5 The Buyback will not result in any benefit to any Directors of the Company/Promoters and Promoter Group/person in control of the company/group companies except to the extent of their intention to participate in the Buyback and the change in their shareholding as per the response received in the Buyback Offer.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient financial information of the Company, as extracted from the standalone audited results for the last three financial years based in IND AS are given below:

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from Operations	77,240.30	66,989.10	71,652.95
Other Income	2,369.46	3,434.90	1,166.83
Total Income	79,609.76	70,424.00	72,819.78
Total Expense (Excluding Interest & Depreciation)	55,439.65	53,201.43	52,568.88
Interest	39.96	12.27	16.90
Depreciation	2,335.19	2,849.21	2,498.29
Exceptional Items – Expense / (Income)	-	5,923.80	-
Profit Before Tax	21,794.96	8,437.29	17,735.71
Provision for Tax (including Deferred Tax)	760.75	590.17	507.75
Profit After Tax	21,034.21	7,847.12	17,227.96
Other Comprehensive Income	1,073.90	929.77	1,246.36
Total Comprehensive Income for the year	22,108.11	8,776.89	18,474.32
Paid-up Equity Share capital	1,321.84	1,381.10	1,381.10
Reserve and Surplus excluding revaluation reserve and miscellaneous expenditure to the extent not written off	1,00,801.29	1,01,020.30	92,243.41
Net Worth	1,02,123.13	1,02,401.40	93,624.51
Total Debt	187.82	163.86	163.86

Financial Ratios on standalone basis are as under:

Particulars	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017(Audited)	For the year ended March 31, 2016 (Audited)
Basic Earnings Per Share (₹)	31.36	11.36	24.95
Diluted Earnings Per Share (₹)	31.36	11.36	24.95
Debt Equity Ratio	0.002	0.002	0.002
Book Value (₹ per share)	154.52	148.29	135.58
Return on Net worth (%)	20.60	7.66	18.40

Note:

- 1) *Basic Earnings Per Share = Profit attribute to equity shareholders / Weighted Average Number of equity shares outstanding during the period*
- 2) *Diluted Earnings Per Share = Profit After Tax Profit attribute to equity shareholders / Weighted Average Number of equity shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares*
- 3) *Total Debt = Borrowings + Current Maturities of long term debt*
- 4) *Debt Equity Ratio = Total Debt as defined above / Total Net Worth*
- 5) *Book Value per Share = (Equity Share Capital + Reserves & Surplus) / Total Outstanding Shares*
- 6) *Return on Net Worth = Profit after Tax / Net Worth at year end.*

15.2 The salient financial information of the Company, as extracted from the Consolidated audited results for the last three financial years based in IND AS are given below :

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from Operations	81,937.48	70,635.76	74,530.27
Other Income	2,367.07	3,442.23	1,309.97
Total Income	84,304.55	74,077.99	75,840.24
Total Expense (Excluding Interest & Depreciation)	59,755.82	56,681.09	55,778.17
Interest	60.41	24.14	23.89
Depreciation	2,507.73	3,023.67	2,744.24
Exceptional Items – Expense / (Income)	-	5,923.80	-
Profit Before Tax	21,980.59	8,425.29	17,293.94
Provision for Tax (including Deferred Tax)	839.54	696.34	546.76
Profit After Tax	21,141.05	7,728.95	16,747.18
Non Controlling Interest	17.27	(54.39)	(41.23)
Profit attributable to equity shareholders	21,123.78	7,783.34	16,788.41
Other Comprehensive Income	1,068.97	931.39	1246.36
Total Comprehensive Income for the year	22,192.75	8,714.73	18,034.77
Paid-up Equity Share capital	1,321.84	1,381.10	1,381.10
Reserve and Surplus excluding revaluation reserve and miscellaneous expenditure to the extent not written off	99,918.14	100,052.53	91,337.80
Net Worth	1,01,183.12	1,01,359.50	92,699.15
Total Debt	287.82	463.86	164.85

Financial Ratios on consolidated basis are as under:

Particulars	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)
Basic Earnings Per Share (₹)	31.49	11.27	24.31
Diluted Earnings Per Share (₹)	31.49	11.27	24.31
Debt Equity Ratio	0.003	0.005	0.002
Book Value (₹ per share)	153.09	146.78	134.24
Return on Net worth (In %)	20.88	7.68	18.11

Note:

- 1) Basic Earnings Per Share = Profit attributable to equity shareholders / Weighted Average Number of equity shares outstanding during the period
- 2) Diluted Earnings Per Share = Profit attributable to equity shareholders / Weighted Average Number of equity shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares
- 3) Total Debt = Borrowings + Current Maturities of long term debt
- 4) Debt Equity Ratio = Total Debt as defined above / Total Net Worth
- 5) Book Value per Share = (Equity Share Capital + Reserves & Surplus) / Total Outstanding Shares
- 6) Return on Net Worth = Profit attributable to equity shareholders / Net Worth at year end

15.3 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with Section 68, 69 and 70 of the Act and the Share Capital Rules, as may be applicable to the Buyback.

16. STOCK MARKET DATA

16.1 The Equity Shares of the Company are listed and traded on BSE and NSE.

16.2 The high, low and average market prices in preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of Public Announcement i.e., July 23, 2018 and the corresponding volumes on BSE and NSE are as follows:

BSE

Period	High Price (₹)	Date of High Price	No. of shares traded on date of High Price	Low Price (₹)	Date of Low Price	No. of shares traded on date of Low Price	Average Price (₹)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS								
April 1, 2017-March 31, 2018	708.10	07-08-2017	24,286	433.00	06-02-2018	70,215	567.79	1,38,37,943
April 1, 2016-March 31, 2017	568.00	24-03-2017	5,08,080	325.25	02-09-2016	2,08,263	433.42	1,98,59,154
April 1, 2015-March 31, 2016	1060.00	13-04-2015	17,119	300.00	18-01-2016	1,78,685	431.83	2,66,32,195
PRECEDING 6 MONTHS								
June 1, 2018 – June 30, 2018	593.50	20-06-2018	51,535	495.05	05-06-2018	15,801	557.43	810861
May 1, 2018 – May 31, 2018	548.40	29-05-2018	55,467	464.60	23-05-2018	17,823	506.61	10,18,620
April 1, 2018 – April 30, 2018	555.00	11-04-2018	66,644	484.00	02-04-2018	22,128	527.39	4,96,803
March 1, 2018 – March 31, 2018	504.25	01-03-2018	8,638	448.00	07-03-2018	76,682	482.02	8,93,180
February 1, 2018 – February 28, 2018	533.00	01-02-2018	2,13,710	433.00	06-02-2018	70,215	486.29	9,35,777
January 1, 2018 – January 31, 2018	555.00	01-01-2018	19,239	475.10	30-01-2018	88,243	522.77	12,48,184

(Source: www.bseindia.com)

NSE

Period	High Price (₹)	Date of High Price	No. of shares traded on date of High Price	Low Price (₹)	Date of Low Price	No. of shares traded on date of Low Price	Average Price (₹)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS								
April 1, 2017-March 31, 2018	708.00	07-08-2017	4,82,198	431.20	06-02-2018	8,10,088	563.79	16,32,41,993
April 1, 2016-March 31, 2017	572.00	31-03-2017	10,92,733	324.50	02-09-2016	16,19,230	432.02	16,88,32,790
April 1, 2015-March 31, 2016	1060.00	13-04-2015	1,23,359	300.00	18-01-2016	7,33,302	437.94	16,96,95,445
PRECEDING 6 MONTHS								
June 1, 2018-June 31, 2018	594.15	20-06-2018	12,04,133	495.00	05-06-2018	1,73,343	558.02	1,47,80,309
May 1, 2018 – May 31, 2018	548.20	29-05-2018	13,89,364	463.50	23-05-2018	12,12,910	509.26	1,45,95,223

Period	High Price (₹)	Date of High Price	No. of shares traded on date of High Price	Low Price (₹)	Date of Low Price	No. of shares traded on date of Low Price	Average Price (₹)	Total Volume Traded in the period (No. of shares)
April 1, 2018 – April 30, 2018	554.55	11-04-2018	10,18,472	484.85	02-04-2018	2,87,393	525.25	1,02,85,286
March 1, 2018 – March 31, 2018	504.85	01-03-2018	2,58,476	447.95	07-03-2018	13,79,242	478.79	1,00,71,396
February 1, 2018 – February 28, 2018	532.90	01-02-2018	22,03,265	431.20	06-02-2018	8,10,088	486.32	1,36,28,366
January 1, 2018 – January 31, 2018	555.30	01-01-2018	3,20,298	475.10	30-01-2018	13,13,081	520.47	1,13,18,183

(Source: www.nseindia.com)

Note: High and Low price for the period are based on intraday prices and Average Price is the volume weighted average.

- 16.3 The closing market price of the Equity Shares on BSE and NSE as on May 23, 2018, being the working day prior to the date of approval of Buyback by the Board of Directors of the Company was ₹ 472.10 and ₹ 472.95, respectively.

Also, the closing market price of the Equity Shares on BSE and NSE as on July 18, 2018, being the working day prior to the date of approval of Buyback by the shareholders was ₹ 544.65 and ₹ 545.20 respectively.

17. DETAILS OF THE STATUTORY APPROVALS

- 17.1 The Buyback has been approved by the Board of Directors in its meeting held on May 24, 2018 and by the shareholders by a special resolution through Postal Ballot, the results of which were declared on July 19, 2018.
- 17.2 Buyback from Non-Resident Shareholders may be subject to approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and the rules and regulations framed there under. It is the obligation of such Non-Resident Shareholders to obtain such approvals and ensure necessary compliance with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, so as to enable them to tender Equity Shares in the Buyback and for the Company to purchase such Equity Shares, tendered.
- 17.3 As of date, there is no other statutory or regulatory approval pending to implement the Buyback. If any statutory or regulatory approval becomes applicable subsequently, the Buyback will be subject to such statutory or regulatory approvals. In the event that the receipt of the statutory / regulatory approvals are delayed, changes to the proposed timetable, if any, shall be intimated to the Stock Exchanges, and hence made available for the benefit of Equity Shareholders.

18. DETAILS OF THE REGISTRAR TO THE BUYBACK OFFER

Eligible Sellers who wish to tender their Equity Shares in the Buyback can send by registered post / speed post or hand deliver the Tender Form, TRS generated by the exchange bidding system along with all relevant documents by super-scribing the envelope as “**KSCL Buyback Offer 2018**”, to the Registrar to the Buyback Offer at its office set out below, so that the same are received not later than 2 (two) days from the Buyback Closing Date i.e. [•] (by 5 P.M.):

Karvy Computershare Private Limited.

“Karvy Selenium Tower B”

Plot no.31 & 32, Financial District, Nanakramguda,
Gachibowli, Hyderabad – 500 032. India.

Tel: +91 40 67162222; Fax: +91 40 23431551

Contact Person: Mr. M. Muralikrishna

Email: kaveriseed.buyback@karvy.com; Website: www.karvycomputershare.com

SEBI Registration No: INR000000221

Validity Period: Permanent (unless suspended or cancelled by SEBI)

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK OFFER.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company proposes to Buy Back not exceeding 29,63,000 Equity Shares from the Equity Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer route at a price of ₹ 675/- (Rupees Six Hundred and Seventy Five Only) per Equity Share, payable in cash for an aggregate amount of ₹ 2,00,025,000 (Rupees Two Hundred Crores and Twenty Five Thousand Only). The maximum number of Equity Shares proposed to be bought back represents 4.48% of the total paid-up Equity Share capital of the Company. The shareholders approved the Buyback, by way of a special resolution, through Postal Ballot, the results of which were declared on July 19, 2018 (which is deemed to be the date of passing the special resolution by the shareholders). The Buyback is in accordance with Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act and in accordance with Article 75 of the Articles of Association of the Company, and subject to Regulation 5A and other applicable provisions contained in the Buyback Regulations and such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and/or regulatory authorities, including but not limited to SEBI, BSE and the RBI. The Buyback Size is 20.24% and 20.42% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone and consolidated audited accounts of the Company for the financial year ended March 31, 2018 (the audited financial statements available as on the date of the Board Meeting approving the Buyback).
- 19.2 The aggregate shareholding of the Promoter and Promoter Group is 3,62,09,966 Equity Shares which represents 54.79% of the existing Equity Share Capital of the Company. In terms of the Buyback Regulations under the tender offer method, the Promoters and Promoter Group of a company have the option to participate in the Buyback. In this regard, the Promoter and Promoter Group ("Promoter Group") have expressed their intension to participate in the Buyback and offer up to an aggregate maximum of 15,00,000 Equity Shares or such lower number of shares as required in compliance with the Buyback Regulations vide their letters dated May 25, 2018, as described in details under clause 6.6.
- 19.3 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders of the Equity Shares up to their entitlement, the aggregate shareholding of the Promoters and Promoter Group post Buyback may increase from 54.79% to 54.98% of the post Buyback Equity Share capital of the Company.
- 19.4 **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**
- (a) The Company has announced August 03, 2018 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Equity Shareholders, who are eligible to participate in the Buyback.
- (b) The Equity Shares to be bought back as a part of this Buyback is divided into two categories:
- (i) Reserved category for Small Shareholders ("**Reserved Category**"); and
- (ii) General Category for other Eligible Persons ("**General Category**").
- (c) As defined in the Buyback Regulations, Small Shareholder includes a shareholder, who holds shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Rupees Two Lakhs. As on Record Date, the closing price on [●] was ₹[●]. Accordingly, all Equity Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as "Small Shareholders" for the purpose of the Buyback.
- (d) Based on the above definition, there are [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on Record Date, which constitutes [●]% of the outstanding number of Equity Shares of the Company and [●]% of the Maximum Number of Equity Shares which the Company proposes to Buy back as a part of this Buyback.
- (e) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be higher of:
- (1) Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 29,63,000 Equity Shares which works out to 4,44,450 Equity Shares; or
- (2) The number of Equity Shares entitled as per their shareholding as on the Record Date (i.e. $(\frac{[●]}{[●]} \times [●])$ which is [●] Equity Shares.
- (i) All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter also intends to offer its Equity Shares in the Buyback.

(ii) Based on the above analysis and in accordance with Regulation 6 of the Buyback Regulations, [●] Equity Shares have been reserved for the Small Shareholders (“Reserved Category”) and accordingly, the General Category for all other Eligible Shareholders shall consist of [●] Equity Shares (“General Category”)

(f) In order to ensure that the same Eligible Seller with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Seller with a common Permanent Account Number (“PAN”) shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Sellers holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ subaccounts and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body – broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

(g) Based on the above Buyback Entitlements, the ratio of Buyback for both categories is decided as below:

Category of Shareholders	Ratio of Buyback
Reserved category for Small Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date
General category for all other Equity Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date

19.5 Fractional Entitlements:

If the Buyback Entitlement under Buyback, after applying the above mentioned ratios to the Equity Shares held on the Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share), then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback for both categories of Eligible Sellers.

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] or less Equity Shares as on the Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares.

19.6 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:

Subject to the provisions contained in the Letter of Offer, the Company will accept the Equity Shares tendered in the Buyback by the Small Shareholders in the Reserved Category in the following order of priority:

- (a) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the acceptance as described in Clause 19.6 (a) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and one share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (c) Post the acceptance as described in Clause 19.6 (a) and 19.6 (b), in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buyback Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buyback Regulations, i.e. valid Acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category.

For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with Clause 19.6 (b) above, shall be reduced by one.

- (d) Adjustment for fractional results in case of proportionate Acceptance, as described in Clause 19.6 (c) above:
- (i) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- (ii) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.7 **Basis of Acceptance of Shares validly tendered in the General Category:**

Subject to the provisions contained in the Letter of Offer, the Company will accept the Equity Shares tendered in the Buyback by all other Eligible Persons in the General Category in the following order of priority:

- (a) Acceptance of 100% Equity Shares from other Eligible Sellers in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in Clause 19.7 (a) above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the other Eligible Sellers over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Sellers divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- (c) Adjustment for fractional results in case of proportionate acceptance as described in Clause 19.7 (b) above:
 - (i) For any Eligible Seller, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Seller if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.8 **Basis of Acceptance of Equity Shares between Categories**

- (a) In case there are any Equity Shares left to be bought back in one category (“**Partially Filled Category**”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be Accepted proportionately, i.e. valid Acceptances per Eligible Seller shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Seller in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the partially filled category.
- (b) If the Partially Filled Category is the General Category, and the second category is the reserved category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been Accepted in accordance with Clause 19 (6) (b) shall be reduced by one.
- (c) Adjustment for fraction results in case of proportionate Acceptance, as defined in Clause 19.7 (a) above:
 - (i) For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.9 For avoidance of doubt, it is clarified that:

- (a) the Equity Shares Accepted under the Buyback from each Eligible Seller, in accordance with clauses above, shall not exceed the number of Equity Shares tendered by the respective Eligible Seller;
- (b) the Equity Shares Accepted under the Buyback from each Eligible Seller, in accordance with clauses above, shall not exceed the number of Equity Shares held by respective Eligible Seller as on the Record Date; and
- (c) the Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the clauses above.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

A. GENERAL

20.1 The Buyback is open to all Eligible Persons.

20.2 The Company proposes to effect the Buyback through a tender offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Eligible Sellers

Eligible Sellers which have registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. If Eligible Sellers wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer.

Eligible persons which have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode.

20.3 The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/sale of such shares.

20.4 The Company shall comply with Regulation 19(5) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.

20.5 Eligible Sellers will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Sellers are required to tender the applications separately from each demat account.

20.6 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Sellers, on basis of their Buyback Entitlement as on the Record Date.

20.7 As elaborated under Clause 19.4, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Sellers, and the Buyback Entitlement of a Eligible Sellers in each category shall be calculated accordingly.

20.8 After Accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Sellers in that category, and thereafter, from Eligible Sellers who have tendered over and above their Buyback Entitlement, in other category.

20.9 The non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any eligible seller, shall not invalidate the Offer to any eligible seller. In case of non-receipt of the Letter of Offer, Eligible sellers holding shares as on Record Date may participate in the offer by providing their application in plain paper in writing signed by all equity shareholders, stating name, address, number of shares held, Client ID number, DP name, DO id number, number of shares tendered and other relevant documents such as physical share certificate and Form SH 4 in case of shares being held in

physical form. Eligible Person(s) have to ensure that their bid is entered in the electronic platform to be made available by the Recognized Stock Exchange before the closure of the Offer.

B. PROCESS AND METHODOLOGY FOR THE BUYBACK

20.10 Process

- (i) The Buyback Offer is open to all Equity Shareholders holding Equity Shares as on Record Date i.e. August 03, 2018 in physical form (“**Physical Shares**”) and beneficial owners holding Equity Shares in dematerialised form (“**Demat Shares**”).
- (ii) The Buyback Offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buyback Regulations and SEBI circular and in accordance with the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board (including the committee/persons authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- (iii) For the implementation of the Buyback Offer, the Company has appointed Karvy Stock Broking Limited as the registered broker (“**Company’s Broker**”) through whom the purchases and settlements on account of the Buyback Offer would be made by the Company. The contact details of the Company’s Broker are as follows:

KARVY STOCK BROKING LIMITED

Karvy Millennium, Plot No.31,

Financial District, Gachibowli,

Hyderabad - 500 032

Tel: +91 40 33216775

Fax: +91 40 23311968

Email: service@karvy.com

Contact Person: Mr. G. Suresh Kumar

Website: www.karvyonline.com

- (iv) The Company shall request BSE to provide a separate acquisition window to facilitate placing of sell orders by eligible Equity Shareholders who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In case Equity Shareholders registered stock broker is not registered with BSE, Equity Shareholders may approach Company’s Broker to place its bid.
- (v) At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company’s Broker. During the tendering period, the order for selling the Equity shares will be placed by the Equity Shareholders through their respective stock brokers (“**Seller Member**”) during normal trading hours of the secondary market. In the tendering process, the Company’s Broker may also process the orders received from the Equity Shareholders. The Equity Shareholder Broker can enter orders for demat as well as physical shares.
- (vi) Modification / cancellation of orders and multiple bids from a single Equity Shareholder will be allowed during the Tendering Period of the Offer. Multiple bids made by single Equity Shareholder for selling the Equity Shares shall be clubbed and considered as “one” bid for the purposes of Acceptance.
- (vii) The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

20.11 Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form:

- (i) Equity Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.
- (ii) The Seller Member would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the BSE. Before placing the bid, the Shareholder would be required to transfer the tendered Equity Shares to the Indian Clearing Corporation Limited (the “**ICCL**”), by using the early pay in mechanism as prescribed by the BSE or the ICCL prior to placing the bid by the Seller Member.
- (iii) Upon placing the order, the Seller Member shall provide transaction registration slip (“**TRS**”) generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID,

Client ID, no. of Equity Shares tendered, etc.

- (iv) In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Eligible Seller shall be deemed to have been accepted.

20.12 Procedure to be followed by Equity Shareholders holding Equity Shares in the Physical form:

- (i) Equity Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the (a) original share certificate(s), (b) valid Form SH 4 (transfer form) duly filled and signed by the Eligible Seller (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (c) self-attested copy of the Eligible Seller's PAN Card, and (d) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Equity Shareholder has undergone a change from the address registered in the register of members of the Company, the Equity Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- (ii) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Equity Shareholder holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- (iii) The Seller Member/Equity Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the registrar to the Buyback i.e. Karvy Computershare Private Limited ("**Registrar**") (at the address mentioned at Clause 27 below within 2 (two) days of bidding by Seller Member. The envelope should be super scribed as "**KSCL - Buyback Offer 2018**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Equity Shareholder.
- (iv) Eligible Sellers holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.
- (v) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback offer before the Closing Date.

METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per Buyback Regulations:

- (i) The Company will transfer the funds pertaining to the Buyback Offer to the ICCL's bank accounts per the prescribed schedule. For Equity Shares accepted under the Buyback, ICCL will make direct funds payout to respective Eligible Seller's bank account as provided by the Depository System. If Eligible Seller's bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to their respective Eligible Seller.
- (ii) In case of Eligible Sellers where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Members settlement bank account for onward transfer to the Eligible Sellers. For this purpose, the client type details would be collected from the Registrar to the Buyback
- (iii) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the ICCL.

- (iv) Eligible Sellers tendering Equity Shares will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of shares under the offer.
- (v) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity shareholders would be returned to them by ICCL.
- (vi) Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Sellers holding Equity Shares in the Physical form.
- (vii) Company’s Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers’ bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers.
- (viii) Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Member for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Seller, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.
- (ix) The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

C. Rejection Criteria

The shares tendered by Eligible Person(s) would be liable to be rejected on the following grounds:

1. For Equity shareholders holding shares in the dematerialized form if
 - a. the Equity Shareholder is not a shareholder of the Company as on the Record date or
 - b. if there a name mismatch in the demat account of the Shareholder or
2. For Equity shareholders holding shares in the physical form if
 - a. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company ;
 - b. If the transmission of shares is not completed, and the shares are not in the name of the Eligible Person(s)
 - c. If the Eligible Seller(s) bid the shares but the Registrar does not receive the physical share certificate
 - d. In case the signature in the Tender Form and Form SH 4 doesn’t match as per the specimen signature recorded with Company/Registrar.
3. The documents mentioned in Instruction number 3 and 4 of the Tender Form for physical shareholders are not received by the Registrar before the close of business hours to the Registrar on or before [●] by 5 PM.
4. Where there exists any restraint order of a Court/ any other competent authority for transfer/ disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

21. NOTE ON TAXATION

“Tax implications in the hands of the shareholders on the buy-back of shares:

THE SUMMARY OF THE TAX CONSIDERATIONS IN THESE SECTIONS ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, ELIGIBLE SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, ELIGIBLE SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

CLASSIFICATION OF SHARES AND SHAREHOLDERS

21.1 GENERAL.

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (the “Income Tax Act” or “ITA”).

- a. A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India sourced income or income received by such person in India. Any gains arising to a non-resident on transfer of Equity Shares should be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- b. The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary of tax implications on buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

21.2 CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

a) Resident Shareholders being:

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
- Others

b) Non Resident Shareholders being:

- Non Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs)
- Others:
 - Company
 - Other than Company

21.3 CLASSIFICATION OF INCOME.

Shares can be classified under the following 2 (two) categories:

- a) **Shares held as investment (income from transfer taxable under the head “Capital Gains”)**

b) Shares held as stock-in-trade (income from transfer taxable under the head “Profits and Gains from Business or Profession”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). The issue of characterization of income arising from sale of shares has been a subject matter of litigation. The apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by the Tax Officer.

In case of eligible sellers being companies as defined under the Income Tax Act, the tax provisions of minimum alternate tax on book profits as provided under section 115JB of the Income Tax Act need to be considered depending on their income and losses etc. for the year.

21.4 SHARES HELD AS INVESTMENT.

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on buyback of shares are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of Section 48 of the Income Tax Act. The provisions of Buyback tax under Section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange.

21.4.1 Period of holding.

Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain” or “long term capital gain” as stated below:

- In respect of equity shares held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short-term capital asset, and the gains arising there from shall be taxable as “short term capital gains” (“**STCG**”).
- Similarly, where equity shares are held for a period more than 12 months prior to the date of transfer, the same shall be treated as a long-term capital asset, and the gains arising there from shall be taxable as “long-term capital gains” (“**LTCG**”).

21.4.2 Buyback of shares through a recognized stock exchange.

Where transaction for transfer of such equity shares (i.e. buyback) is transacted through a recognized stock exchange, they are liable to Securities Transaction Tax (‘STT’). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the recognized stock exchanges in India. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security

- LTCG arising from such transaction was exempt under Section 10(38) of the Income Tax Act up to 31st March, 2017 subject to fulfilment of certain conditions which mainly included that such sale transaction is chargeable to securities transaction tax. In case of Buy-back herein, securities transaction tax is chargeable and accordingly the LTCG arising on tendering of shares under Buy-back was exempt till 31st March, 2017. With effect from 1st April, 2017, a third proviso has been inserted in Section 10(38) of ITA vide Finance Act, 2017 which additionally requires that the exemption u/s. 10(38) of ITA on sale of equity shares would be available if acquisition of such equity shares was chargeable to securities transaction tax in cases of acquisition of equity shares on or after 1st October, 2004, other than such acquisition which may be notified by the Central Government. Pursuant to such powers conferred by third proviso to Section 10(38), the Central Government has exempted all transactions of acquisition of equity shares on or after 1st October, 2004 except few transactions vide Notification No. S.O. 1789(E) dated June 5, 2017. Therefore, tax treatment of LTCG may be different for each Shareholder depending on whether the transaction of acquisition of equity shares which are tendered in the Buy-back falls under the exemption u/s. 10(38) or otherwise. In case, LTCG arising from tendering of equity shares under the Buy-back doesn’t fall under tax exemption u/s. 10(38), such LTCG shall be subject to tax u/s. 112 of the Income Tax Act @ 20% with indexation benefit or @ 10% without indexation benefit.

However, with effect from 1st April 2018 the exemption provided u/s. 10(38) of ITA has been withdrawn and levy tax on LTCG exceeding Rs. 1 Lac in a financial year arising on transfer of listed equity shares @ 10% without allowing the benefit of indexation. However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of i) the actual cost of acquisition of such equity shares acquired before 1st February, 2018 or ii) the lower of a) the highest price of such equity shares quoted on the recognized stock exchange on the 31st January, 2018; or b) the actual sale value of such equity shares.

- STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the Income Tax Act.

Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG taxable under Section 111A of the Income Tax Act. In addition to the above STCG tax, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (*Please refer to Note 21.7 for rate of surcharge and cess*).

Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

As an overall point, since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax (“STT”). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

21.5 SHARES HELD AS STOCK-IN-TRADE.

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession. In such a case, the provisions of Section 46A of the Income Tax Act will not apply.

21.5.1 Resident Shareholders

- a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- b) For Domestic Company having total turnover or gross receipts not exceeding Rs. 50 crores in the previous year i.e, 2015-16, profits would be taxable @ 25%. However, with effect from April 1, 2018 a domestic company having turnover or gross receipts not exceeding ` 250 Crore in the previous year i.e. FY 2016-17 would be taxable @ 25%.
- c) For persons other than stated in (a) and (b) above, profits would be taxable @ 30% or other applicable tax rate.

No benefit of indexation by virtue of period of holding would be available in any case.

21.5.2 Non Resident Shareholders

- a) Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
- b) Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
 - For foreign companies, profits would be taxed in India @ 40%
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable.

21.6 TAX DEDUCTION AT SOURCE.

21.6.1 In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax at source on the consideration payable to resident shareholders pursuant to the said Buyback.

21.6.2 In case of Non-resident Shareholders

Since the buy-back is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians/ authorized dealers/ tax advisors appropriately.

21.7 RATE OF SURCHARGE AND CESS.

In addition to the basic tax rate, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable as under:

21.7.1 Surcharge.

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds Rs.10 crores and @ 7% where the total income exceeds `1 crore but upto `10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds Rs.10 crores and @ 2% where the total income exceeds `1 crore but upto `10 crores.
- In case of individual, HUF, AOP, BOI: Surcharge @15% is leviable where the taxable income exceeds Rs.1crore and @ 10% where the taxable income exceeds Rs. 50 lakh but does not exceed Rs.1 crore
- In case of Firms, Local Authority : Surcharge @12% is leviable where the total income exceeds `1 crore.

21.7.2 Cess.

Health and Education Cess of 4% on income-tax and surcharge is applicable to all taxpayers

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required by Clause (ix) and Clause (x) of Part A of Schedule II under Regulation 5 (1) of the Buyback Regulations

- 22.1 The Board confirms that there are no defaults subsisting in the repayment of deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company.
- 22.2 The Board of Directors has confirmed that it has made a full enquiry into the affairs and prospects of the Company and after taking into account the financial position of the Company and has formed an opinion that:
- a. immediately following the date of the Board Meeting held on May 24, 2018, and the date on which the results of postal ballot is declared there will be no grounds on which the Company could be found unable to pay its debts;
 - b. as regards the Company's prospects for the year immediately following the date of the Board Meeting convened for approving the Buyback i.e., May 24, 2018 and the date on which the results of postal ballot approving the Buyback are declared, having regard to their intention with respect to the management of Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, 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 or as the case may be within a period of one year from the date on which the results of postal ballot were declared, as the case may be; and.
 - c. in forming its opinion as aforesaid, 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 Companies Act.

This declaration is made and issued pursuant to the resolution passed at the meeting of the Board of Directors held on May 24, 2018.

For and on behalf of the
Board of Directors of kaveri seed company limited

Sd/-
G.V. Bhaskar Rao
Chairman & Managing Director
DIN: 00892232

Sd/-
C.Mithunchand
Whole Time Director
DIN: 00764906

23. AUDITORS CERTIFICATE

The text of the report dated May 24, 2018 received from M.Bhaskara Rao & Co, Chartered Accountants being the Statutory Auditors of the Company, addressed to the Board is reproduced below:

“To
The Board of Directors
Kaveri Seed Company Limited
513-B, 5th Floor,
Minerva Complex, SD Road,
Secunderabad 500 003
Telangana

Dear Sirs/Madam,

Statutory Auditor`s report in respect of the proposed Buy-back of equity shares of Kaveri Seed Company Limited (“the Company”)in terms of the clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) [SEBI Buyback Regulations”]

1. This report is issued in accordance with the terms of our engagement letter dated 24 May, 2018. The Board of Directors of Kaveri Seed Company Limited have approved a proposed buy-back of equity shares by the Company at its meeting held on 24 May 2018, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (‘the Act’) and the SEBI Buyback Regulations.
2. We have been requested by the Management of the Company to provide a report on the accompanying Statement of permissible capital payment (including premium) in ‘Annexure A’ as at 31 March 2018 (hereinafter referred together as the “Statement”). This statement is prepared by the management, based on the audited standalone and consolidated financial statements of the Company as at and for the year ended on 31 March 2018, which we have initialled for identification purposes only.

Management’s Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68 (2)(c) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents and making full enquiry into the affairs and prospects of the Company and forming an opinion that the Company will not be rendered insolvent within a period of one year from that date. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors’ Responsibility

4. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:
 - a. whether we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements as at and for the year ended 31 March 2018;
 - b. if the amount of permissible capital payment for the proposed Buy-back of equity shares as stated in **Annexure A**, has been properly determined in accordance with Section 68(2)(c) of the Act based on the audited standalone and consolidated financial statements as at and for the year ended 31 March 2018; and
 - c. if the Board of Directors in their meeting dated 24 May 2018, have formed the opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
5. The standalone and consolidated financial statements referred to in paragraph 4 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated 24 May, 2018 we conducted our audit of the standalone and

consolidated financial statements in accordance with the standards on auditing and other applicable pronouncements issued by Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on inquiries conducted and our examination referred to in paragraph 6 above, we report that:
 - a. we have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements as at and for the year ended 31 March 2018;
 - b. the amount of permissible capital payment (including premium) for the proposed buy back of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68(2) (c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone and consolidated financial statements of the Company as at and for the year ended 31 March, 2018 and
 - c. the Board of Directors of the Company, in their meeting held on May 24, 2018 have formed their opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the resolution by the Board of Directors i.e., 24 May, 2018.

Restriction on Use

9. This report is issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy-back of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

FOR M.Bhaskara Rao & Co.,

Chartered Accountants
Firm Registration No: **000459S**

M.V.Ramana Murthy
Partner
Membership No.206439

Hyderabad, May 24, 2018

Annexure A

Statement of determination of the maximum amount of permissible capital payment for buyback of Equity Shares in accordance with the provisions of the Act and the Regulations (the “Statement”)

Particulars	Amount (Rs. In Lakhs)	
	Standalone	Consolidated
Paid up equity share capital as on March 31, 2018 (A)	1321.84	1321.84
Free Reserves as on March 31, 2018		
Securities Premium Account	--	--
General Reserves	1000.00	1002.00
Retained Earnings	96492.00	95610.16
Total Free Reserves (B)	97492.00	96612.16
Total (A+B)	98813.84	97934.00
Maximum amount permissible for the Buy-back i.e. 25% of total paid-up equity capital and free reserves	24703.46	24483.50
Amount proposed for Buyback, not exceeding	20000.25	20000.25

For Kaveri Seed Company Limited

G.V.Bhaskar Rao
Chairman and Managing Director”

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company between 10.30 a.m. and 5.30 p.m. on all working days on all working days (Monday to Friday) during the offer period:

- a. Certificate of Incorporation of the Company.
- b. Memorandum and Articles of Association of the Company.
- c. Annual reports of the Company for the financial years ended March 31, 2017, 2016, 2015, 2014 and audited financials statements of the Company for the period ended March 31, 2018, as submitted with stock exchanges.
- d. Copy of resolution passed by the Board of Directors at their meeting held on May 24, 2018 approving the proposal of the Buyback.
- e. Copy of special resolution passed by the Shareholders through postal ballot notice dated May 24, 2018 the results of which were declared on July 19, 2018 approving the proposal of the Buyback.
- f. Certificate dated May 24, 2018 received from M. Bhaskara Rao & Co, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations.
- g. Certificate from M. Bhaskara Rao & Co., Chartered Accountants dated May 24, 2018 certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations.
- h. Copy of Public Announcement dated July 21, 2018 published in the newspapers on July 23, 2018 regarding Buyback.
- i. Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH 9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- j. Copy of Escrow Agreement dated [●], 2018 amongst the Company, Karvy Investor Services Limited and [●] Bank Limited.
- k. Confirmation letter by the Escrow Agent dated [●] that the Escrow Account has been opened and Escrow Amount has been deposited.
- l. SEBI comments *vide* letter dated [●] issued in terms of the Buyback Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

Mr. G Vijay Kumar,
Chief Financial Officer & Compliance Officer
513-B, 5th Floor, Minerva Complex, SD Road,
Secunderabad – 500003, Telangana
Tel: +91- 40-27721457; **Fax:** +91- 40-27811237
Email: cfo@kaveriseeds.in
Website: www.kaveriseeds.in;

Investor may contact the Compliance Officer for any clarification on the buyback or to address their grievances, if any, during office hours i.e. 10.30 a.m. to 5.30 p.m. on all working days (Monday and Friday).

26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

- (i) In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the eligible shareholder can approach the Manager to the Buyback and/or Registrar to the Buyback and/or Compliance Officer of the Company for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68, 69, 70, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies
2nd Floor,
Corporate Bhawan, Near Central Water Board,
GSI Post, Bandlaguda, Nagole,
Hyderabad-500068

27. **DETAILS OF INVESTOR SERVICE CENTRE**

INVESTOR SERVICE CENTRE & REGISTRAR TO THE BUYBACK OFFER

In case of any queries related to Buyback, Equity shareholders may contact the Registrar to the Buyback Offer, during the office hours i.e., between 10.00 a.m. to 5.00p.m. on all working days (Monday to Friday) at the following address:



Karvy Computershare Private Limited.

“Karvy Selenium Tower B”

Plot no.31 & 32, Financial District, Nanakramguda,
Gachibowli, Hyderabad – 500 032, India.

Tel: +91 40 67162222; **Fax:** +91 40 23431551

Contact Person: Mr. M. Muralikrishna

Email: kaveriseed.buyback@karvy.com; **Website:** www.karvycomputershare.com

SEBI Registration No: INR000000221

Validity Period: Permanent (unless suspended or cancelled by SEBI)

28. **DETAILS OF THE MANAGER TO THE BUYBACK**



Karvy House, 46, Avenue 4,

Street No.1, Banjara Hills

Hyderabad – 500034, Telangana

Tel.: +91 40-23428774/23312454

Fax: +91 40-23374714/23311968

Contact Person: Mr.M.P.Naidu/ Mr. K.Santhosh Kumar

Email: cmg@karvy.com

Website: www.karvyinvestmentbanking.com

SEBI Registration No: INM000008365

29. **DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE DRAFT LETTER OF OFFER**

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accepts responsibility for all the information contained in this Draft Letter of Offer or any other information, advertisement, circular, brochure, publicity material which may be issued and confirms that such document contains true, factual and material information and does not contain any misleading information.

This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on May 24, 2018.

For and on behalf of the Board of Directors of
kaveri seed company limited

Sd/-

Mr. G. V. Bhaskar Rao
Chairman & Managing Director
(DIN: 00892232)

Sd/-

Mr. C. Mithunchand
Whole Time Director
(DIN: 00764906)

Sd/-

Mr. V R S Murti
Company Secretary
Membership .No.ACS3566

Date: July 26, 2018

Place: Hyderabad

Enclosure: 1. Tender Form for Equity Shareholders holding Equity Shares in Dematerialized Form
2. Tender Form for Equity Shareholders holding Equity Shares in Physical Form along with Form SH 4

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM)**

Bid Number:

Date:

BUYBACK OPENS ON		[●]
BUYBACK CLOSSES ON		[●]
For Registrar Use:		
Inward No.	Date	Stamp
Status (please tick appropriate box)		
<input type="checkbox"/>	Individual	<input type="checkbox"/>
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>
<input type="checkbox"/>	VCF	<input type="checkbox"/>
<input type="checkbox"/>	FII	<input type="checkbox"/>
<input type="checkbox"/>	NRI/OCB	<input type="checkbox"/>
<input type="checkbox"/>	Bank / FI	<input type="checkbox"/>
<input type="checkbox"/>	Partnership/LLP	<input type="checkbox"/>
<input type="checkbox"/>	Insurance Co.	<input type="checkbox"/>
<input type="checkbox"/>	FVCI	<input type="checkbox"/>
<input type="checkbox"/>	Pension / PF	<input type="checkbox"/>
<input type="checkbox"/>	Others (specify)	<input type="checkbox"/>
India Tax Residency Status: Please tick appropriate box		
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>
<input type="checkbox"/>	Non-Resident in India	<input type="checkbox"/>
Resident of _____		(Shareholder to fill the country of residence)

To,

The Board of Directors

Kaveri Seed Company Limited
513-B, 5th Floor, Minerva Complex
SD Road, Secunderabad – 500003

Dear Sir / Madam,

Sub: Letter of Offer dated [●], 2018 in relation to Buyback of upto 29,63,000 Equity Shares of Kaveri Seed Company Limited (the “Company”) at a price of ₹ 675/- (Rupees Six Hundred and Seventy Five only) per Equity Share (the “Offer Price”) payable in cash

- I / We (having read and understood the Letter of Offer dated [●], 2018) hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this Tender / Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my/our right to tender Equity Shares for Buyback and that I / we am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the consideration as per secondary market mechanism.
- I / We agree to receive, at my own risk, the invalid / unaccepted Equity Shares under the Buyback Offer in the demat a/c from where I / we have tendered the Equity Shares in the Buyback. In case if for any reason the Equity Shares cannot be credited to the above demat account, I / we agree to receive a single share certificate for the unaccepted Equity Shares in physical form.
- I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/ our tender/offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, 2013 and the Buyback Regulations.
- This clause is applicable for Non-Resident Shareholders only** - I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

----- Tear along this line -----

Acknowledgement Slip: Kaveri Seed Company Limited – Buyback

(to be filled by the Eligible Seller) (subject to verification)

Folio No. / DP ID _____
from Mr. / Ms. / M/s. _____

Client ID _____ Received

Form of Acceptance-cum-Acknowledgement along with:

No. of Equity Shares offered for Buyback (In Figures) _____
(In Words) _____

Please quote Client ID No. & DP ID No. for all future correspondence

STAMP OF BROKER

--

10. Details of Equity Shares held and tendered / offered for Buyback Offer:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date, i.e. August 03, 2018		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including Additional Shares)		

Note: An Eligible Seller may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Seller up to the Buyback Entitlement of such Eligible Seller shall be accepted to the full extent. The Equity Shares tendered by any Eligible Seller over and above the Buyback Entitlement of such Eligible Seller shall be accepted in accordance with clause 19 of the Letter of Offer. Equity Shares tendered by any Equity Shareholders over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance.

11. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL
Name of the Depository Participant		
DP ID No.		
Client ID with the DP		

12. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of The Holder				
Signature(s)*				
PAN No.				
Address of the First/ Sole Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp

INSTRUCTIONS

1. This Buyback Offer will open on [●], 2018 and close on [●], 2018.
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. The Equity Shares tendered in the Offer shall be rejected if (i) the Eligible Seller is not a shareholder of the Company as on the Record date, (ii) if there is a name mismatch in the demat account of the Shareholder, or (iii) if the Eligible Seller has made a duplicate bid on both the recognized stock exchanges.
4. The Eligible Sellers will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as decided by the Company.
5. Eligible Sellers to whom the Offer is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
6. For the procedure to be followed by Eligible Sellers for tendering in the Buyback, please refer to clause 20 of the Letter of Offer.
7. All documents sent by Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.
8. Eligible Shareholders have to fill up the EVENT number issued by Depository in the column for settlement details along with the market type as “**Buyback**”, ISIN, Quantity of shares and CM BP ID of broker and execution date in the Delivery Instruction Slips (DIS) so that shares can be tendered for buyback offer.

----- Tear along this line -----

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUYBACK OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID & DP ID.

Karvy Computershare Private Limited

Karvy Selenium Tower B” Plot no.31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032. India.

Contact Person: Mr. M. Muralikrishna

Tel: +91 40 67162222; Fax: +91 40 23431551, Email: kaveriseed.buyback@karvy.com; Website: www.karvycomputershare.com

SEBI Registration No: INR000000221.

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

Bid Number:

Date:

BUYBACK OPENS ON		<input type="checkbox"/>
BUYBACK CLOSES ON		<input type="checkbox"/>
For Registrar Use:		
Inward No.	Date	Stamp
Status (please tick appropriate box)		
<input type="checkbox"/>	Individual	<input type="checkbox"/>
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>
<input type="checkbox"/>	VCF	<input type="checkbox"/>
<input type="checkbox"/>	FII	<input type="checkbox"/>
<input type="checkbox"/>	NRI/OCB	<input type="checkbox"/>
<input type="checkbox"/>	Bank / FI	<input type="checkbox"/>
<input type="checkbox"/>	Partnership/LLP	<input type="checkbox"/>
<input type="checkbox"/>	Insurance Co.	<input type="checkbox"/>
<input type="checkbox"/>	FVCI	<input type="checkbox"/>
<input type="checkbox"/>	Pension / PF	<input type="checkbox"/>
<input type="checkbox"/>	Others (specify)	<input type="checkbox"/>
India Tax Residency Status: Please tick appropriate box		
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>
<input type="checkbox"/>	Non-Resident in India	<input type="checkbox"/>
<input type="checkbox"/>	Resident of _____ (Shareholder to fill the country of residence)	<input type="checkbox"/>

To,

Board of Directors

Kaveri Seed Company Limited
513-B, 5th Floor, Minerva Complex
SD Road, Secunderabad – 500003

Dear Sirs,

Sub: Letter of Offer dated [●], 2018 in relation to Buyback of upto 29,63,000 Equity Shares of Kaveri Seed Company Limited (the “Company”) at a price of ₹ 675/- (Rupees Six Hundred and Seventy Five only) per Equity Share (the “Offer Price”) payable in cash

- I / We (having read and understood the Letter of Offer dated [●], 2018) hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buyback the Equity Shares offered (as mentioned below) and as a consequence to extinguish the share certificates.
- I / We hereby affirm that the Equity Shares comprised in this Tender / Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / we am / are legally entitled to tender the Equity Shares for Buyback Offer.
- I / We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I / We agree that the Company will pay the Buyback Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism.
- I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act and the Buyback Regulations.
- I / We authorize the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback.
- This clause is applicable for Non-Resident Shareholders only** - I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

----- Tear along this line -----

Acknowledgement Slip: **Kaveri Seed Company Limited – Buyback**

(to be filled by the Eligible Seller) (subject to verification)

Received from Mr. / Ms. / M/s. _____

Ledger Folio No. _____ No. of Share Certificate(s) submitted _____

No. of Equity Shares offered for Buyback (In Figures) _____

(In Words) _____

Please quote the Ledger Folio No. for all future correspondence

STAMP OF BROKER

11. Details of Equity Shares held and tendered / offered for Buyback:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date August 03, 2018		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including Additional Shares)		

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Shares validly tendered by any Equity Shareholder up to the Buyback Entitlement of such Equity Shareholder shall be accepted to the full extent. The Shares tendered by any Equity Shareholder over and above the Buyback Entitlement of such Equity Shareholder shall be accepted in accordance with clause 19 of the Letter of Offer. Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance. The signature on the Transfer deed (Form SH 4) should match with the signature recorded / registered with the records of the Company.

12. Details of Share Certificate(s) enclosed: Total No. of Share Certificates Submitted:

Sr. No.	Folio No.	Share Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
1					
2					
3					
4					
Total					

13. Details of other Documents (Please \surd as appropriate, if applicable) enclosed:

- Power of Attorney
 Previous RBI approvals for acquiring the Equity Shares of Kaveri Seed Company Limited hereby tendered in the Buyback Offer
 Corporate authorizations
 Death Certificate
 Succession Certificate
 Self-attested copy of Permanent Account Number (PAN Card)
 Others (please specify): _____

Mode of Payment (Please Tick) Electronic Physical

14. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of The Holder				
Signature(s)*				
PAN No.				
Address of the First/ Sole Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp

INSTRUCTIONS

1. This Buyback Offer will open on [●], 2018 and close on [●], 2018.
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Sellers who wish to tender their Equity Shares in response to this Buy Back Offer should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before [●], 2018 by 5 PM.
 - a) The relevant Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
 - b) Original share certificates
 - c) Self attested copy of the Permanent Account Number (PAN) Card
 - d) Transfer deed (Form SH 4) duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares
 - e) Transaction Registration Slip (TRS) generated by the Exchange Bidding System.
4. Eligible Sellers should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - a) Duly attested Power of Attorney registered with the Registrar if any person other than the Eligible Sellers has signed the relevant Tender / Offer Form
 - b) Duly attested death certificate / succession certificate in case any Eligible Sellers has expired
 - c) Necessary corporate authorizations, such as Board Resolutions etc., in case of companies
5. Eligible Sellers to whom the Offer is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
6. For the procedure to be followed by Eligible Sellers for tendering in the Buyback, please refer to clause 20 of the Letter of Offer.
7. All documents as mentioned above, shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
 - a) If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
 - b) If the transmission of shares is not completed, and the shares are not in the name of the Eligible Shareholder
 - c) If the Eligible Shareholders bid the shares but the RTA does not receive the share certificate
 - d) In case the signature in the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.
 - e) If there is a duplicate bid on both the recognized stock exchanges.

-----Tear along this line-----

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUYBACK OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NO.

Karvy Computershare Private Limited

Karvy Selenium Tower B” Plot no.31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032. India.

Contact Person: Mr. M. Muralikrishna

Tel: +91 40 67162222; **Fax:** +91 40 23431551, **Email:** kaveriseed.buyback@karvy.com; **Website:** www.karvycomputershare.com

SEBI Registration No: INR000000221.

**Form No. SH-4
Securities Transfer Form**

Pursuant to section 56 of the Companies act, 2013 and sub-rule (1) of rule 11 of the
Companies (Share Capital and Debentures) Rules 2014

Date of execution

FOR THE CONSIDERATION stated below the "Transferor(s)" named do hereby transfer to the "Transferee(s)" named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid

CIN:	L01120TG1986PLC006728
Name of the company (in full):	KAVERI SEED COMPANY LIMITED
Name of the Stock Exchange where the company is listed, if any:	BSE Limited, National Stock Exchange of India Limited

DESCRIPTION OF SECURITIES			
Kind / Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Shares	₹ 2/-	₹ 2/-	₹ 2/-

No. of Securities being Transferred		Consideration Received (₹)	
In Figures	In Words	In words	In figures

Distinctive Number	From				
	To				
Corresponding Certificate Nos:					

TRANSFEROR'S PARTICULARS	
Registered Folio Number:	
Name(s) in full	Signature (s)
1.	
2.	
3.	

I, hereby confirm that the Transferor has signed before me.

Signature of Witness

Name and address

TRANSFEREE'S PARTICULARS			
	1	2	3
Name in full			
Father's / mother's / Spouse name			
Address			
E-mail ID			
Occupation			
Existing folio no., if any			
Signature			

Folio No. of Transferee:	Specimen Signature of Transferee
	1.
	2.
	3.

Value of stamp affixed: _____ (₹)

Enclosures:

- (1) Certificate of shares or debentures or other securities
- (2) If no certificate is issued, letter of allotment.
- (3) Other, Specify.....

Stamps:

For office use only
 Checked by _____ Signature tallies by _____
 Entered in the Register of Transfer on _____ vide Transfer No. _____
 Approval Date _____ Power of attorney/Probate/Death Certificate/Letter of administration Registered
 on _____ at No. _____