

KISL/IB/KSCL/2019-20/165

December 24, 2019

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Dear Sir,

Sub: Buy Back of upto 28,00,000 equity shares of face value of ₹ 2/- at a price of ₹ 700/- aggregating to an amount of ₹ 1,960,000,000 by Kaveri Seed Company Limited through Tender Offer using Stock Exchange Acquisition Window Mechanism.

Ref: Submission of Letter of Offer.

This is further to our letter No. KISL/IB/KSCL/2019-20/140 November 15, 2019 on the captioned subject, we are enclosing herewith a copy of Letter of Offer with regard to buyback offer to the shareholders of Kaveri Seed Company Limited together with copy of SEBI Approval Letter SEBI/HO/CFD/DCR-1/OW/P/2019/33807 dated December 18, 2019, as submitted to SEBI for your information and records.


Further, we are also enclosing herewith a compact disc containing the soft copy of Letter of Offer in PDF Format.

Please acknowledge receipt.

Thanking you,

Yours Sincerely,

For Karvy Investor Services Limited


T.R. Prashanth Kumar

Whole Time Director & CEO

Contact Phone: 040 - 33216841 / 022-61491541

Mobile: 98206 45377

Email Id: prashanth.kumar@karvy.com cmg@karvy.com

Encl.: As above

Karvy Investor Services Limited

701, Hallmark Business Plaza, Sant Dhyaneswar Marg, Bandra (E), Mumbai - 400051

Tel: +91 22 61491500 | Fax: +91 22 61491515 | E-mail: cmg@karvy.com / igmbd@karvy.com | www.karvy.com

Registered Office: 'Karvy House', 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034.

T: +91 40 2342 8774 / 2331 2454 | F: +91 40 2337 4714 / 2331 1968

CIN No. : U67120TG1997PLC026253 | SEBI Registration No. MB/INM000008365

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of kaveri seed company limited (the "Company") as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, 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 Manager to the Buyback Offer, namely Karvy Investor Services Limited or to the Registrar to the Buyback Offer, namely Bigshare Services Private Limited. Please refer to the section "Definition of Key Terms" on page 3 for the definition of the capitalized terms used herein.



kaveri seeds

kaveri seed company limited

Corporate Identification Number: L01120TG1986PLC006728

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

SD Road, Secunderabad – 500003, Telangana

Tel.: +91-40-27842399; Fax: +91-40-27811237, Email id: cs@kaveriseeds.in; Website: www.kaveriseeds.in

Contact Person: Mr. K.V.Chalapathi Reddy, CFO & Compliance Officer

FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF KAVERI SEED COMPANY LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER ROUTE UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.

CASH OFFER TO BUYBACK UPTO 28,00,000 (TWENTY EIGHT LAKHS ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹2/- EACH ("EQUITY SHARES"), REPRESENTING 4.44% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS AT MARCH 31, 2019. FROM ALL THE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, I.E., NOVEMBER 22, 2019 ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" ROUTE, AT A PRICE OF ₹ 700/- (RUPEES SEVEN HUNDRED ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT OF ₹ 1,960,000,000 (RUPEES ONE HUNDRED AND NINETY SIX CRORES ONLY) (THE "BUYBACK SIZE").

- 1) The Buyback is in accordance with Article 75 of the Articles of Association of the Company and is subject to the provisions of Sections 68, 69, 70, 108 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereof including the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any amendments, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Reserve Bank of India, etc. in this regard, the Company will request BSE to provide the acquisition window. For the purpose of this Buyback, BSE would be the Designated Stock Exchange.
- 2) The Buyback is within the statutory limit of 25% of the total paid-up equity share capital and free reserves of the company as per the latest audited financial statements of the Company as at 31 March 2019. The maximum amount permissible for buyback is ₹ 24,486.01 lakhs and Rs.24,344.10 lakhs based on standalone and consolidated. However, for the proposed buyback offer, the Company shall be utilizing ₹ 19,600.00 lakhs which represents 20.01% and 20.14% of the aggregate of the total paid-up equity share capital and free reserves of the Company on standalone and consolidated basis as per the latest audited balance sheet as on 31 March 2019, respectively.
- 3) The Letter of Offer will be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e., 22nd November 2019.
- 4) The procedure for tender and settlement is set out in paragraph 20 of this Letter of Offer. The tender form ("Tender Form") is enclosed together with this Letter of Offer.
- 5) For mode of payment of consideration to the Equity Shareholders, please refer to paragraph 20 of this Letter of Offer.
- 6) A copy of the Public Announcement published on 07th November 2019 and this Letter of Offer (including Tender Form) is available on the website of Securities and Exchange Board of India - <http://www.sebi.gov.in>.
- 7) Equity Shareholders are advised to read this Letter of Offer and in particular, refer to paragraph 17 (Statutory Approvals) and 21 Note on Taxation) of this Letter of Offer before tendering their Equity Shares in the Buyback.
- 8) All Eligible Shareholders of the Company holding Equity Shares in physical form should note that pursuant to provisions of the proviso to Regulation 40(1) of the Listing Regulations read with press release no.12/2019 dated March 27, 2019 issued by SEBI, with effect from April 1, 2019, the request for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository. Accordingly, the Company shall not accept the Equity Shares tendered under the Buy-back unless such Equity Shares are in dematerialised form.

MANAGER TO THE BUYBACK OFFER

REGISTRAR TO THE BUYBACK OFFER



Bigshare Services Pvt. Ltd.

Karvy Investor Services Limited
Plot No.31, 8th Floor, Karvy Millennium,
Nanakramguda, Financial District, Gachibowli
Hyderabad - 500 032, Telangana, India.
Tel.: +91 40-23428774/23312454; Fax: +91 40-23374714/23311968
Email: cmg@karvy.com; Website: www.karvyinvestmentbanking.com
Contact Person: M.P.Naidu / P.Pranavi
SEBI Registration No.: INM000008365

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp Vasant Oasis,
Makwana Road, Marol, Andheri (E), Mumbai - 400059
Tel: +91-22- 6263 8200; Fax: +91-22- 6263 8280
Email: buybackoffer@bigshareonline.com
Website: www.bigshareonline.com
Contact person: Mr. Arvind Tandel
SEBI Registration Number: INR000001385

BUYBACK PROGRAMME

BUYBACK OPENS ON	TUESDAY, DECEMBER 31, 2019
BUYBACK CLOSES ON	MONDAY, JANUARY 13, 2020
LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR	WEDNESDAY, JANUARY 15, 2020

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1. SCHEDULE OF ACTIVITIES

Activity	Day & Date
Date of the Board meeting approving the proposal for Buyback of Equity Shares	Tuesday, September 24, 2019
Date of declaration of the results of postal ballot results for special resolution by the Shareholders of the Company, approving the Buyback Offer	Tuesday, November 05, 2019
Date of Public Announcement for Buyback	Tuesday, November 06, 2019
Date of publication of Public Announcement for the Buyback	Wednesday, November 07, 2019
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Friday, November 22, 2019
Buyback opens on / date of opening of Buyback	Tuesday, December 31, 2019
Buyback closes on / date of closing of Buyback	Monday, January 13, 2020
Last date of receipt of completed Tender Forms and other specified documents by the Registrar and Transfer Agent	Wednesday, January 15, 2020
Last date of verification of Tender Forms by the Registrar	Friday, January 17, 2020
Last date of intimation to the Designated Stock Exchange regarding acceptance or non-acceptance demat Equity Shares tendered to the Registrar to the Buyback	Monday, January 20, 2020
Last date of settlement on the BSE Limited	Tuesday, January 21, 2020
Last date of unaccepted demat shares by Designated Stock Exchange to Eligible Shareholder /Stock Broker.	Tuesday, January 21, 2020
Last date of Extinguishment of Equity Shares	Tuesday, January 28, 2020

Note: where the last dates are mentioned for certain activities such action may happen on or before the respective last dates.

2. DEFINITION OF KEY TERMS

This 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 Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI Buyback Regulations, the Companies Act 2013, the Depositories Act, as amended and the rules and regulations made thereunder and the extent applicable.

Term	Description
Acceptance	Acceptance of Equity Shares tendered by Eligible shareholders in the Buyback Offer.
Act or Companies Act	The Companies Act, 2013 as amended, along with the relevant rules framed there under
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 Circulars.
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 or Article of Association	Articles of Association of the Company as amended.
Board/ Board of Directors	Board of directors of the Company (which term shall include Buyback Committee).
BSE	BSE Limited.
Buyback/ Offer/Offer	Buyback Offer by Kaveri Seed Company Limited to buy back up to maximum of 28,00,000 fully paid-up Equity Shares of face value of ₹ 2/- each at a price of ₹ 700/- 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 Closing Date	Monday, January 13, 2020
Buyback Committee or Committee	The Buyback committee comprising of Mr. G V Bhaskar Rao, Chairman and Managing Director, Mr. Mithun Chand Chennamaneni, Whole Time Director, Mr. Vamsheedhar Chennamaneni, Whole Time Director, Mr. K. V Chalapathi Reddy, Chief Financial Officer and Mr. V R S Murti, Company Secretary, constituted on 24 th September, 2019.

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 Opening Date	Tuesday, December 31, 2019
Buyback Price	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. ₹ 700/- per fully paid up Equity Share, payable in cash.
Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any statutory modifications or re-enactments thereof.
Buyback Size	Number of Equity Shares proposed to be bought back (i.e., 28,00,000 Equity Shares) multiplied by the Buyback Price (i.e. ₹ 700/- per Equity Share) aggregating to ₹1,960,000,000 (Rupees One Hundred and Ninety Six Crores 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	RLP Securities Private 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/DLOF	The Draft letter of offer dated November 14, 2019 filed with SEBI through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in 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 November 22, 2019.
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 is opened with HDFC Bank Limited in the name and style of 'KCSL – Buyback Offer Bank Escrow Account' bearing the account no. 57500000433390.
Escrow Agent	HDFC Bank Limited
Escrow Agreement	The escrow agreement dated November 07, 2019 entered into amongst the Company, Karvy Investor Services Limited and Escrow Agent and addendum to escrow agreement dated December 19, 2019, 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	This Letter of Offer dated December 21, 2019 to be filed with SEBI, through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the 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

PAN	Permanent Account Number
Postal Ballot Notice	Postal ballot notice dated September 24, 2019, through which the Shareholders of the Company approved the Buy-back, results of which were announced on November 05, 2019.
Public Announcement	Public announcement regarding the Buyback dated November 06, 2019 which was published in all editions of Business Standard (English and Hindi National Daily), and Hyderabad edition of Nava Telangana (Telugu Language Daily) on November 07, 2019.
Offer Period / Tendering Period	Period of ten Working Days from the Buyback Opening Date i.e. Tuesday, December 31, 2019, till Buyback Closing Date i.e. Monday, January 13, 2020, (both days inclusive) during which the Eligible Sellers can tender their Equity Shares.
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 November 22, 2019.
Registrar to the Buyback Offer/ Registrar	Bigshare Services 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 i.e., November 22, 2019.
STCG	Short-Term Capital Gains
Tender Form	Form of Acceptance-cum-Acknowledgement.
Tender Offer	Method of Buyback as defined in Regulation 2(i)(q) of the Buyback Regulations, 2018.
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 Letter of Offer has been submitted to SEBI.

It is to be distinctly understood that submission of this 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 Letter of Offer. The Manager to the Buyback, Karvy Investor Services Limited, has certified that the disclosures made in this 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 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 November 14, 2019 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 November 06, 2019, and published on November 07, 2019 and the Draft Letter of Offer dated November 14, 2019. 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, 2018, 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."*

The filing of Letter of Offer 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

Directors of the Company 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 Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, and the Buyback Regulations.

The Directors of the Company 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 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 Letter of Offer.

This 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. This 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 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 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.

Certain figures contained in this Letter of Offer, including financial information, have been subject to Rounding -off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

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 September 24, 2019. The extracts of the Board resolution is as follows:

"RESOLVED THAT in accordance with Article 75 of the Articles of Association of Kaveri Seed Company Limited ("Company") and the provisions of Sections 68, 69, 70, 108 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 ("Management Rules"), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("Buyback Regulations"), and subject to the approval of the members of the Company by special resolution by way of a postal ballot and subject to such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Hyderabad, Telangana ("RoC") and/ or other appropriate authorities which may be agreed by the board of directors of the Company (hereinafter referred to as the "Board", which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, the consent of the Board be and is hereby accorded for the Buyback by the Company of its fully paid-up equity shares of a face value of Rs. 2/- (Rupees Two only) each ("Equity Shares") up to 28,00,000 (Twenty Eight Lakh) Equity Shares (representing 4.44% of the total issued and paid-up equity share capital of the Company) at a maximum price of Rs. 700/- (Rupees Seven Hundred only) per Equity Share, payable in cash for an aggregate consideration not exceeding Rs. 19,600.00 lakhs (Rupees One Hundred Ninety Six Crores Only), being 20.01 % and 20.14% of the total paid-up equity capital and free reserves of the Company as on March 31, 2019 based on Standalone and Consolidated financials respectively, excluding any expenses incurred or to be incurred for the buy-back like filing fee payable to the Securities and Exchange Board of India ("SEBI"),

transaction costs viz. brokerage, printing and dispatch expenses, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, buyback tax and other related and incidental expenses (hereinafter referred to as the "Buyback Offer Size"), being less than 25% (Twenty five per cent) of the total paid-up equity capital and free reserves of the Company as per the latest audited balance sheet as on 31 March, 2019 from all the equity shareholders/ beneficial owners of the Equity Shares of the Company, including the Promoter(s) (as defined hereinafter) as on such date, or any other date as may be decided by the Board to be the record date, the "Record Date") through the "tender offer" route, on a proportionate basis as prescribed under the SEBI Buyback Regulations (hereinafter referred to as the "Buyback").

RESOLVED FURTHER THAT the Company shall implement the Buyback from out of its free reserves and that the Buyback shall be through the tender offer route in such manner as may be prescribed under the Companies Act and the Buyback Regulations and on such terms and conditions as the Board may deem fit, subject to members' approval by way of postal ballot.

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the "Mechanism for acquisition of shares through BSE Limited ("BSE") and/or the National Stock Exchange of India Limited ("NSE") (BSE and NSE collectively referred to as the "Stock Exchanges") notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereto.

RESOLVED FURTHER THAT as required by Regulation 6 of the Buyback Regulations, the Company shall buy back Equity Shares from the members on a proportionate basis under the tender offer route, provided that 15% (Fifteen per cent.) of the number of Equity Shares which the Company proposes to buy back or the number of Equity Shares entitled as per the shareholding of small shareholders as defined in the Buyback Regulations ("Small Shareholders") as of the Record Date, whichever is higher, shall be reserved for Small Shareholders.

RESOLVED FURTHER THAT the members of the Company will be eligible to participate in the Buyback including the promoters of the Company who hold Equity Shares as of the Record Date.

RESOLVED FURTHER THAT the Company shall not buyback the locked-in Equity Shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable.

RESOLVED FURTHER THAT the Buyback from non-resident Indians, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors, Foreign Portfolio Investors and members of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities and not limited to approvals from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, as amended, Income Tax Act, 1961 and rules and regulations framed there under, as amended if any.

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

RESOLVED FURTHER THAT the Company shall earmark adequate sources of funds for the purpose of the Buyback and the amount required by the Company for the Buyback is intended to be met out of the Company's current balances of cash and cash equivalents (and not from any borrowed funds) and/ or internal accruals of the Company and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

RESOLVED FURTHER THAT as required under the proviso to Section 68(6) of the Companies Act and Regulation 8(i)(b) of the Buyback Regulations, the draft Declaration of Solvency along with the annexure on the Statement of Assets and Liabilities as on 31 March 2019 be and is hereby approved and the same will be filed with the RoC and SEBI after having it verified by an affidavit and signed by Mr. G V Bhaskar Rao, Chairman and Managing Director, Mr. Mithun Chand Chennamaneni and Mr. Vamsheedhar Chennamaneni, Whole Time Directors of the Company.

RESOLVED FURTHER THAT Mr. G V Bhaskar Rao, Chairman and Managing Director, Mr. Mithun Chand Chennamaneni, Whole Time Director and Mr. Vamsheedhar Chennamaneni, Whole Time Director, be and are hereby jointly authorized to make changes in the Declaration of Solvency as may be necessary, to sign and to file the same with the RoC and SEBI.

RESOLVED FURTHER THAT Mr. K.V.Chalapathi Reddy, Chief Financial Officer of the Company, be and is hereby appointed as the Compliance Officer for the purposes of Buyback and Bigshare Services Private Limited is appointed as the Investor Service Centre."

RESOLVED FURTHER THAT the common seal of the Company, if necessary, may be affixed in terms of the Articles of Association of the Company to such documents as are required to be so affixed for the purposes of the Buy-back

CONSTITUTION OF BUYBACK COMMITTEE

RESOLVED FURTHER THAT a Buyback Committee comprising of Mr. G V Bhaskar Rao, Chairman and Managing Director, Mr. Mithun Chand Chennamaneni, Whole Time Director, Mr. Vamsheedhar Chennamaneni, Whole Time Director, Mr. K. V Chalapathi Reddy, Chief Financial Officer and Mr. V R S Murti, Company Secretary be and is hereby constituted and the powers of the Board in respect of the Buyback be delegated to the Committee ("Buyback Committee") and the Buyback Committee be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buyback, including, but not limited to, the following:

- (a) initiating all necessary actions for preparation, amendments, finalization and dispatch of the postal ballot notice along with explanatory statement and seek member approval of the members of the Company for the Buyback;
- (b) filing of Public Announcement, the draft Letter of Offer, the Letter of Offer and other related documents;
- (c) preparation of and making any corrections, amendments, deletions, additions to the public announcement, draft letter of offer, letter of offer, declaration of solvency and related documents with SEBI, RoC, Stock Exchanges and other appropriate authority(ies), if any;
- (d) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- (e) extinguishment of dematerialized shares in respect of the equity shares bought back by the Company and filing of certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/or the Board;
- (f) finalizing the terms of Buyback such as the Buyback price, entitlement ratio, fixing the Record Date, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
- (g) appointing Merchant Banker, Registrars, Broker, e-voting Agency, Escrow Agents, Bankers, Scrutinizer, Depository Participant, Printers, Advertisement Agency, and other Advisors, Consultants or Representatives and settlement of the remuneration for all such intermediaries/ agencies/ persons, including the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- (h) making of all applications to the appropriate authorities for their requisite approvals;
- (i) giving any information, explanation, declarations and confirmation in relation to the Public Announcement, draft Letter of Offer, Letter of Offer as may be required by the relevant authorities;
- (j) earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback in accordance with the Buyback Regulations;
- (k) the timely opening, operation and closure of cash Escrow Account and Special Account in accordance with the escrow agreement to be executed by the Company in accordance with the Buyback Regulations in this regard;
- (l) the opening, operation and closure of demat Escrow Account in accordance with the escrow agreement to be executed by the Company with the depository participants;
- (m) to settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
- (n) to make all applications to the appropriate authority(ies) for their requisite approvals including for approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, if any;
- (o) to sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company (if required) on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, RoC, stock exchanges, depositories and/or other appropriate authorities;
- (p) to deal with stock exchanges (including their clearing corporations), where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereto;

- (q) do all such acts, matters and things incidental and in connection with the buyback and sign, execute and deliver such documents as may be necessary or desirable and execution of documents under the Common Seal of the Company as may be required; and
- (r) sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback but not limited to certified copies of all resolutions passed by the Board in connection with the Buyback;

RESOLVED FURTHER THAT the Buyback Committee be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the members for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and 'certificate of extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to SEBI, RBI, Stock Exchanges, RoC, Depositories and/or other authorities;

RESOLVED FURTHER THAT the quorum for a meeting of the Buyback Committee shall be presence of any two members and the Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions;

RESOLVED FURTHER THAT the Buyback Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any officer(s) and/or representatives of the Company, in order 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 for the purpose of giving effect to this resolution, the Buyback Committee be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT in compliance with the Buyback Regulations, Karvy Investor Services Limited be and is hereby appointed as the Manager to the Buyback offer and Karvy Stock Broking Limited is hereby appointed as Company's broker for the proposed Buyback transaction;

RESOLVED FURTHER THAT no information/ material likely to have a bearing on the decision of the investors has been/shall be suppressed/ withheld and/ or incorporated in the manner that would amount to misstatement/ 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 misstatement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations;

DECLARATION OF SOLVENCY

RESOLVED FURTHER THAT as required by Clause (x) of Schedule I under Regulation 5(iv)(b) of the Buyback Regulations, 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) immediately following the date of the meeting of the Board convened for approving the Buyback i.e., September 24, 2019 ("Board Meeting") and the date of passing the special resolution by postal ballot (i.e., the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting), there will be no grounds on which the Company can 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 i.e., September 24, 2019 and the date of passing the special resolution by postal ballot (i.e., the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting), and 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 (1) year from the date of the Board Meeting and also from the date of passing the special resolution by postal ballot (i.e., the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting);

(c) In forming its opinion 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 and the Insolvency and Bankruptcy Code, 2016, as amended (to the extent notified and in force).

RESOLVED FURTHER THAT the Board hereby confirms that:

- (a) All the Equity Shares which the Company proposes to Buyback are fully paid-up;
- (b) The Buyback shall not result in delisting of the Equity Shares from the Stock Exchanges;
- (c) The Company is not making an offer of Buyback within a period of one (1) year reckoned from the date of closure of the previous Buyback period;
- (d) The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-Back period;
- (e) The Company shall not raise further capital for a period of one (1) year from the closure of the Buyback, except in discharge of subsisting obligations;
- (f) That the Company shall not make further issue of the same kind of shares or other specified securities within a period of six months after the completion of Buyback except by the way of bonus shares or equity shares issue to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion preference shares or debentures into equity shares;
- (g) That the Company shall not directly or indirectly purchase its own shares:
 - (i) through any subsidiary company including its own subsidiary companies, if any; and
 - (ii) through any investment company or group of investment companies;
- (h) The Company shall not Buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- (i) The Company shall not Buyback 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 Buyback;
- (j) That there are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon, or preference shares or payment of dividend due to any member or repayment of term loans or interest payable thereon to any financial institutions or banks;
- (k) That the funds borrowed from banks and financial institutions will not be used for the Buyback;
- (l) That the Buyback Offer Size i.e., Rs.19,600.00 lakhs (Rupees One Hundred Ninety Six Crore Only), being 20.01% and 20.14% of the total paid-up equity capital and free reserves of the Company as on March 31, 2019 based on the latest audited financial statements (both standalone and consolidated) respectively.
- (m) That the maximum number of shares i.e., 28,00,000 being 4.44% of the total number of shares in the paid-up equity capital proposed to be purchased under the Buyback shall not exceed 25% (Twenty Five per cent) of the total number of shares in the paid-up equity capital as per the audited balance sheet as on 31 March 2019;
- (n) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;
- (o) the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;
- (p) That the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity capital and free reserves after the Buyback as on 31 March 2019;
- (q) The promoters and / or their associates, other than the Company, shall not deal in the Equity Shares or other specified securities of the Company either through the Stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoters of the Company) from the date of the board resolution approving the Buyback till the closure of the Buyback offer;
- (r) That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act; and
- (s) the Company shall not withdraw the Buyback offer after the public announcement of the offer of the Buyback is made;
- (t) the Company shall comply with the statutory and regulatory timelines in respect of the Buyback in such manner as prescribed under the Companies Act and/or the SEBI Buyback Regulations and any other applicable laws;

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

5.1 As per Regulation 7(i) of the Buyback Regulations, 2018, the Company has made a Public Announcement dated November 06, 2019 for the Buyback of Equity Shares published in the following newspapers on November 07th, 2019, which is within two working days from the date of declaration of results of the postal ballot for special resolution on November 5th, 2019.

Name of the Newspaper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Nava Telangana	Telugu	Hyderabad

5.2. A copy of the Public Announcement is available on the SEBI website www.sebi.gov.in. The Company will publish further notices or corrigenda, in the above mentioned newspapers.

6. DETAILS OF THE BUYBACK OFFER

- 6.1 The Board of Directors of the kaveri seed company limited in its meeting held on September 24, 2019 has announced (the "Board Meeting") the buyback of up to 28,00,000 (Twenty Eight Lakhs 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 ₹ 700/- (Rupees Seven Hundred Only) per Equity Share payable in cash, for an aggregate maximum amount of ₹ 1,960,000,000 (Rupees One Hundred Ninety Six Crores Only), which is 20.01% and 20.14% 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, 2019 (the latest 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 4.44% of the total number of Equity Shares in the total paid up equity share capital of the Company as at March 31, 2019. 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 September 24th, 2019 ("Notice"), the results of which were announced on November 05th, 2019 ("Shareholders Approval").
- 6.2 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.
- 6.3 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., September 24, 2019 and November 5, 2019 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 Promoter	No. of Equity Shares held	% of Issued Equity Share Capital	No. of Equity Shares held	% of Issued Equity Share Capital
		As on September 24, 2019		As on November 05, 2019	
1	Venkata Bhaskar Rao Gundavaram (HUF)	1,03,91,682	16.46	1,03,91,682	16.46
2	Gundavaram Venkata Bhaskar Rao	55,76,416	8.83	55,76,416	8.83
3	Vanaja Devi Gundavaram	1,45,83,618	23.10	1,45,83,618	23.10
4	Pawan Gundavaram	23,19,505	3.68	23,19,505	3.68
5	Vamsheedhar Chennamaneni	10,16,295	1.61	10,16,295	1.61
6	Mithunchand Chennamaneni	8,92,205	1.41	8,92,205	1.41
	Total	3,47,79,721	55.09	3,47,79,721	55.09

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 (KMPs) of the Company:

Sr. No.	Name	Designation	No. of Equity Shares held	% of issued Equity Share Capital
1	Gundavaram Venkata Bhaskar Rao	Chairman & Managing Director	55,76,416	8.83
2	Vanaja Devi Gundavaram	Whole Time Director	1,45,83,618	23.10
3	Pawan Gundavaram	Vice Chairman (Non Executive)	23,19,505	3.68
4	Vamsheedhar Chennamaneni	Whole Time Director	10,16,295	1.61
5	Mithunchand Chennamaneni	Whole Time Director	8,92,205	1.41
	KMPs			
1	K V Chalapathi Reddy	Chief Financial Officer	12,000	0.02

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

6.4 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., November 06, 2019 except for the shares tendered in the previous BuyBack.

6.5 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 members 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 September 24, 2019.

Sr. No.	Name of Shareholder	Maximum Number of Shares intended which may be tendered
1.	Venkata Bhaskar Rao Gundavaram (HUF)	448,178
2.	Gundavaram Venkata Bhaskar Rao	240,502
3.	Vanaja Devi Gundavaram	628,970
4.	Pawan Gundavaram	100,040
5.	Vamsheedhar Chennamaneni	43,831
6.	Mithunchand Chennamaneni	38,479
	Total (A)	15,00,000

6.6 The details of the date and price of acquisition of the Equity Shares that the Promoters/ Promoter Group 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
12.09.2018	(4,27,336)	Buyback of Shares	8,54,672	675.00	1,03,91,682

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
12.09.2018	(2,29,319)	Buyback of Shares	4,58,638	675.00	55,76,416

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
12.09.2018	(5,99,723)	Buyback of Shares	11,99,446	675.00	1,45,83,618

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
12.09.2018	(95,385)	Buyback of Shares	1,90,770	675.00	23,19,505

Vamsheedbar 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
12.09.2018	(41,792)	Buyback of Shares	83,584	675.00	10,16,295

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
12.09.2018	(36,690)	Buyback of Shares	73,380	675.00	8,92,205

6.7 For details with respect to aggregate shareholding of Promoters / Promoter Group and Persons in Control Post-Buyback please refer clause 6.3 of this Letter of Offer.

6.8 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, 70, 100, 108 & 110 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 September 24, 2019 and by the shareholders of the Company through postal ballot (including E-Voting), the results of which were announced on November 05, 2019 (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:

- 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;
- 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";
- The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- 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.
- 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 28,00,000 (Twenty Eight Lakhs Only) Equity Shares of ₹ 2 each (representing 4.44% of the total number of the equity share capital of the Company as at March 31, 2019) at the Offer Price of ₹ 700 (Rupees Seven Hundred Only) per Equity Share not exceeding ₹ 1,960,000,000 (Rupees One Hundred and Ninety Six Crores 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 full response to the Buyback, the funds deployed by the Company towards the Buyback would be ₹ 1,960,000,000 (Rupees One Hundred and Ninety Six Crores Only), excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, buyback tax 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 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 6.5 of this 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 55.10% which is the Promoter and Promoter Group holding as at date, to 55.16% 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.

9.72 Salient financial parameters consequent to the Buyback based on the latest audited results as on March 31, 2019 are as under:

Parameter	Standalone		Consolidated	
	Pre-Buyback*	Post Buyback*	Pre-Buyback*	Post Buyback*
Networth (₹ in Lakhs)	101,295.95	81,695.95	100,625.15	81,025.15
Return on Networth (%)	21.20	26.28	21.61	26.83
Basic Earnings per Share (₹)	33.30	35.59	33.72	36.04
Book Value per Share (₹)	160.46	135.42	159.40	134.31
P/E as per the latest audited financial results ⁵	16.26	15.22	16.06	15.03
Total Debt/Equity Ratio (Total Debt/Net worth) ⁴	0.002	0.003	0.007	0.009

* Pre and Post Buyback Calculations are based on financial numbers as on March 31, 2019. 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) Net Worth = Equity share capital + other equity

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

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

4) Basic EPS = PAT / Number of equity shares outstanding

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

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

⁵ P/E Ratio based on the closing market price as on November 07, 2019, the date of publication of the Public Announcement ₹541.60 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, September 16, 2019 was ₹ 528.55 and ₹ 524.95 on BSE and NSE respectively, and the Buyback Offer Price of ₹700/- (Rupees Seven Hundred Only) per equity share represents a premium of 32.43 % and 33.42 % over the closing price of the Equity Shares on BSE and NSE, respectively.
- 10.3 The Buyback Price per Equity Share represents a premium of 53.24% and 50.72% over the volume weighted average market prices of the Company's Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback, being September 16th, 2019 and 44.34% and 41.71% 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 closing market price of the Equity Shares as on the date of Board meeting for considering the Buyback i.e., September 16, 2019 is ₹ 545.95 and ₹ 546.65 on BSE and NSE and the closing market price as on the date of Public Announcement is ₹ 537.55 and ₹ 535.30 on BSE and NSE respectively.
- 10.5 The basic earnings per Equity Share of the Company pre Buy-back as on March 31, 2019, considering the number of shares outstanding as on March 31, 2019 is ₹ 33.30 and ₹ 33.72 on a standalone and consolidated basis respectively, which will increase to ₹ 35.59 and ₹ 36.04 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.
- 10.6 The return on net worth of the Company pre Buyback as on March 31, 2019 is 21.20% and 21.61% on a standalone and consolidated basis respectively, which will increase to 26.28% and 26.83% 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 ₹1,960,000,000 (Rupees One Hundred and Ninety Six Crores 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 9(xi) of the Buy – Back Regulations, the Company has appointed HDFC Bank Limited having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 and acting through its branch situated at Lodha – I, Think Techno Campus, O - 3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai - 400 042, as the Escrow Agent for the aforementioned Buy-Back. The Company, the Manager to the Offer and the Escrow Agent have entered into an Escrow Agreement dated November 07, 2019 pursuant to which an Escrow Account in the name and style “KSCL Buyback Offer Bank Escrow Account” bearing account no.5750000433390 has been opened with the Escrow Agent. The Company has deposited an amount of ₹ 34,60,00,000 (Rupees Thirty Four Crores Sixty lakhs only), being equivalent to 25% up to ₹ 100 crore and 10% thereafter of the total consideration payable by the Company under the Buy-back, assuming full Acceptance. As per the Escrow Agreement Karvy Investor Services Limited, being the Manager to the Buy-Back Offer has been empowered to operate the Escrow Account in accordance with the Buy-Back Regulations.

12.2 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 M.V.Ramana Murthy, Membership No. 206439, located at 5-D, Fifth Floor, ‘KAUTILYA’, 6-3-652, Somajiguda, Hyderabad 500082, vide their certificate dated November 13, 2019.

12.3 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		
63,129,133 Equity Shares of ₹2/- each		1,262.58

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		
60,329,133 Equity Shares of ₹2/- each		1,206.58

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
29,63,000	675/-	August 27, 2018	September 07, 2018	Tender
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 the Letter of Offer.

13.4 The shareholding pattern of the Company pre-Buyback as on record date i.e., November 22nd, 2019 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")	34,779,721	55.10	33,279,721	55.16
Foreign Investors (Including Non-Resident Indians, FIIs and Foreign Mutual Funds)	15,878,911	25.15	27,049,412	44.84
Financial Institutions/Banks & Mutual Funds promoted by Banks/Institutions	1,478,062	2.34		
Others (Public, Public Bodies Corporate etc.)	109,92,439	17.41		
Total	63,129,133	100.00	60,329,133	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, Mrs. Gundavaram Vanaja Devi and Mr. Rangineni Venu Manohar Rao.

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 corn, sunflower, cotton, 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 ₹ 80,941.81 Lakhs for the FY ended 2019 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 issued/bought back	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Particulars of Issue/Allotment	Consideration	Cumulative Equity Share	Cumulative Equity Share Capital (₹)	
27.08.1986	200	10	10	Subscription to the Memorandum	Cash	200	2,000	
26.02.1991	33,300	10	10	Preferential Allotment	Cash	33,500	3,35,000	
28.03.1996	1,16,500	10	10	Preferential Allotment	Cash	150,000	15,00,000	
27.06.2005	14,50,000	10	10	Preferential Allotment	Cash	1600000	1,60,00,000	
23.06.2006	6,50,000	10	10	Preferential Allotment	Cash	2250000	2,25,00,000	
04.08.2006	22,50,000	10	-	Bonus(1:2)	Other than Cash	4,50,000	4,50,00,000	
20.09.2006	45,00,000	10	10	Rights(1:2)	Cash	9,00,000	9,00,00,000	
20.09.2006	5,00,000	10	-	Acquisition of M/s. Kaveri Agritek(India) Private Limited	Other than Cash	9,50,000	9,50,00,000	
15.02.2007	2,00,000	10	10	Private Placement	Cash	9,70,000	9,70,00,000	
04.10.2007	40,02,184	10	170	IPO	Cash	13,702,184	1,37,021,840	
02.04.2013	46,257	10	170	ESOP	Cash	13,748,441	13,74,84,410	
28.01.2014	68,742,205	Split of Equity shares of ₹10 each into ₹2 each					68,742,205	13,74,84,410
09.04.2014	1,53,990	2	34	ESOP	Cash	68,896,195	13,77,92,390	
13.04.2015	1,58,900	2	34	ESOP	Cash	69,055,095	13,81,10,190	
03.08.2017	(29,62,962)	2	675	Buyback of Shares	Cash	66,092,133	13,21,84,266	
07.09.2018	(29,63,000)	2	675	Buyback of Shares	Cash	63,129,133	12,62,58,266	

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: 69 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. Kaveri Microteck Pvt Limited 6. Genome Agritech Pvt Limited 7. Aditya Agri Tech Pvt Limited 8. Kaveri Bhaskar Rao Charitable Foundation 9. Genomix Agri Genetics Pvt Ltd 10. Agcom Exports Private Limited
Mrs. Gundavaram Vanaja Devi Age: 67 Years DIN: 00328947	Whole Time Director	Qualification: B.A(Arts) Occupation: Business	27-08-1986	1. Kaveri Microteck Pvt Limited 2. GVB Constructions Pvt Ltd 3. Kaveri Bhaskar Rao Charitable Foundation
Mr. Gundavaram Pawan Age: 39 Years DIN: 00768751	Vice Chairman (Non Executive)	Qualification: M.B.B.S Occupation: Business	18-09-2006	1. Ganga Kaveri Healthcare Pvt. Ltd
Mr. Chennamaneni Vamsheedhar Age: 48 Years DIN: 01458939	Whole Time Director	Qualification: B.A(Arts) 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: 42 Years DIN: 00764906	Whole Time Director	Qualification: MBA Occupation: Business	27-09-2011	1. Kaveri Microteck Pvt Limited 2. Agcom Exports Private Limited
Mr. S.Raghuvardhan Reddy Age: 72 Years DIN: 01992206	Independent Director	Qualification: PhD in Agricultural Sciences Occupation: Business	21-10-2010	Nil
Mr. K. Purushotham Age: 72 Years DIN: 01540645	Independent Director	Qualification: B.Sc(Agricultural Sciences) Occupation: Business	14-02-2013	1. Rithwik Projects Pvt Limited
Mr. Syed Mohammed Ilyas Age: 71 Years DIN: 03542011	Independent Director	Qualification: Agricultural Engineer Occupation: Business	16-05-2011	Nil
Mrs. Musinipally Chaya Ratan Age: 66 Years	Independent Director	Qualification: IAS (Rtd.) M.Sc., Economics,	24-05-2018	Nil

DIN: 08085687		Occupation: IAS (Retired)		
Mr. Bhaskar Venkataramany Age: 66 Years DIN: 03558571	Independent Director	Qualification: Ph.D in Economics Occupation: IAS (Retired)	14-11-2018	Nil

14.4 The details of changes in the Board of Directors during the last 3 years preceding the date of PA i.e., November 06, 2019 are as under:

Name of the Director	Designation	Appointment/ Cessation/ Re-appointment/ Change in designation	Effective date	Reason
Mrs. Yeshwant Laxman Nene	Independent Director	Cessation	15.01.2018	Expired
Mrs. Musinipally Chaya Ratan	Additional Director	Appointment	24-05-2018	--
Mr. M. Srikanth Reddy	Independent Director	Cessation	24-05-2018	Personal
Mr. Bhaskar Venkataramany	Independent Director	Appointment	14-11-2018	--
Mr. Puskar Vara Prasada Rao	Independent Director	Cessation	20.12.2018	Personal

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 and limited review financial information for the six months period ended 30th September, 2019 based in IND AS are given below:

Particulars	(₹ in Lakhs)				
	For the six months period ended 30 th September, 2019 (Unaudited)	For the year ended March 31, 2019 (Audited)	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017 (Audited)	
Revenue from Operations	73,289.48	76,898.90	77,240.30	66,989.10	
Other Income	732.41	4,286.77	2,369.46	3,434.90	
Total Income	74,021.89	81,185.67	79,609.76	70,424.00	
Total Expense (Excluding Interest & Depreciation)	48,832.90	56,342.45	55,439.65	53,201.43	
Interest	5.09	12.52	39.96	12.27	
Depreciation	1,170.93	2,117.65	2,335.19	2,849.21	
Exceptional Items – Expense / (Income)	-	-	-	5,923.80	
Profit Before Tax	24,012.97	22,713.05	21,794.96	8,437.29	
Provision for Tax (including Deferred Tax)	426.36	1,240.19	760.75	590.17	
Profit After Tax	23,586.61	21,472.86	21,034.21	7,847.12	
Other Comprehensive Income	712.84	(16.62)	1,073.90	929.77	
Total Comprehensive Income for the year	24,299.45	21,456.24	22,108.11	8,776.89	
Paid-up Equity Share capital	1,262.58	1,262.58	1,321.84	1,381.10	
Reserve and Surplus (excluding revaluation reserve and miscellaneous expenditure to the extent not written off)	Not Available	1,00,033.37	1,00,801.29	1,01,020.30	
Net Worth	Not Available	1,01,295.95	1,02,123.13	1,02,401.40	
Total Debt	179.55	187.06	187.82	163.86	

Financial Ratios on standalone basis are as under:

Particulars	For the six months period ended 30 th September, 2019 (Unaudited)	For the year ended March 31, 2019 (Audited)	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017 (Audited)
Basic Earnings Per Share (₹)	37.36*	33.30	31.36	11.36
Diluted Earnings Per Share (₹)	37.36*	33.30	31.36	11.36
Debt Equity Ratio	Not Available	0.002	0.002	0.002
Book Value (₹ per share)	Not Available	160.46	154.52	148.29
Return on Net worth (%)	Not Available	21.20	20.60	7.66

*Not annualised

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 and limited review financial information for the six months period ended 30th September, 2019 based in IND AS are given below :

Particulars	(₹ in Lakhs)			
	For the six months period ended 30 th September, 2019 (Unaudited)	For the year ended March 31, 2019 (Audited)	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017 (Audited)
Revenue from Operations	74,523.77	80,941.81	81,937.48	70,635.76
Other Income	694.57	4,299.46	2,367.07	3,442.23
Total Income	75,218.34	85,241.27	84,304.55	74,077.99
Total Expense (Excluding Interest & Depreciation)	48,981.35	59,777.49	59,755.82	56,681.09
Interest	17.93	54.69	60.41	24.14
Depreciation	1243.47	2,295.20	2,507.73	3,023.67
Exceptional Items – Expense / (Income)	-	-	-	5,923.80
Profit Before Tax	24,975.59	23,113.89	21,980.59	8,425.29
Provision for Tax (including Deferred Tax)	599.08	1,373.43	839.54	696.34
Profit After Tax	24,376.51	21,740.46	21,141.05	7,728.95
Non Controlling Interest	55.59	(4.61)	17.27	(54.39)
Other Comprehensive Income	708.89	(14.97)	1,068.97	931.39
Total Comprehensive Income for the year	25,029.81	21,730.10	22,192.75	8,714.73
Paid-up Equity Share capital	1,262.58	1,262.58	1,321.84	1,381.10

Reserve and Surplus (excluding revaluation reserve and miscellaneous expenditure to the extent not written off)	Not Available	99,424.04	99,918.14	100,052.53
Net Worth	Not Available	1,00,625.15	1,01,183.12	1,01,359.50
Total Debt	Not Available	678.06	287.82	463.86

Financial Ratios on consolidated basis are as under:

Particulars	For the six months period ended 30 th September, 2019 (Unaudited)	For the year ended March 31, 2019 (Audited)	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017 (Audited)
Basic Earnings Per Share (₹)	38.53*	33.72	31.49	11.27
Diluted Earnings Per Share (₹)	38.53*	33.72	31.49	11.27
Debt Equity Ratio	Not Available	0.007	0.003	0.005
Book Value (₹ per share)	Not Available	159.40	153.09	146.78
Return on Net worth (In %)	Not Available	21.61	20.89	7.63

*Not annualised

Note:

- 1) Net Worth = Equity share capital + other equity.
- 2) Basic Earnings Per Share = Profit attributable to equity shareholders / Weighted Average Number of equity shares outstanding during the period
- 3) 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
- 4) Total Debt = Borrowings + Current Maturities of long term debt
- 5) Debt Equity Ratio = Total Debt as defined above / Total Net Worth
- 6) Book Value per Share = (Equity Share Capital + Reserves & Surplus) / Total Outstanding Shares
- 7) Return on Net Worth = Profit After Tax / 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 Publication of Public Announcement i.e., November 07, 2019 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, 2018-March 31, 2019	659.95	31-08-2018	2,42,260	376.00	20-02-2019	14,95,676	498.49	1,44,86,089
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
PRECEDING 6 MONTHS								
Oct 1, 2019 – Oct 31, 2019	527.20	31-10-2019	1,63,791	456.05	09-10-2019	20,216	490.10	4,65,502
Sep 1, 2019- Sep 30, 2019	575.80	25-09-2019	70,607	463.5	03-09-2019	21,820	518.41	4,22,061
August 1, 2019- August 31, 2019	488.40	14-08-2019	34,178	424.25	06-08-2019	118,395	450.25	9,71,116
July 1, 2019- July 31, 2019	482.20	05-07-2019	6,504	412.9	18-07-2019	13,574	452.74	6,86,060
June 1, 2019 – June 30, 2019	550.35	03-06-2019	20,966	430.00	19-06-2019	62,494	488.05	6,44,378
May 1, 2019 – May 31, 2019	551.40	29-05-2019	79,396	433.05	15-05-2019	5,808	501.86	4,27,483

(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, 2018-March 31, 2019	660.70	31-08-2018	11,55,860	368.80	20-02-2019	2,58,45,211	497.10	20,39,61,929
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

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, 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
PRECEDING 6 MONTHS								
Oct 1, 2019 – Oct 31, 2019	528.80	31-10-2019	4,42,781	456.05	09-10-2019	1,34,942	485.40	2,239,534
Sep 1, 2019- Sep 30, 2019	575.00	25-09-2019	8,62,049	463.25	03-09-2019	35,203	529.57	3,249,185
August 1, 2019- August 31, 2019	489.50	14-08-2019	4,78,568	422.00	07-08-2019	1,03,907	455.83	2,725,566
July 1, 2019- July 31, 2019	482.80	05-07-2019	91,631	412.55	18-07-2019	80,974	455.49	2,711,583
June 1, 2019-June 31, 2019	559.30	10-06-2019	2,43,842	430.20	19-06-2019	5,78,548	484.05	62,96,022
May 1, 2019 – May 31, 2019	551.00	31-05-2019	3,26,637	436.05	08-05-2019	1,90,325	500.87	62,75,698

(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 September 23, 2019, being the working day prior to the date of approval of Buyback by the Board of Directors of the Company was ₹ 527.90 and ₹ 526.00, respectively.

Also, the closing market price of the Equity Shares on BSE and NSE as on November 04, 2019, being the working day prior to the date of approval of Buyback by the shareholders was ₹526.70 and ₹529.80 respectively.

17. DETAILS OF THE STATUTORY APPROVALS

- 17.1 The Buyback has been approved by the Board of Directors in its meeting held on September 24, 2019 and by the shareholders by a special resolution through Postal Ballot, the results of which were declared on November 05, 2019.

- 17.2 Buy-Back from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. NRIs and erstwhile OCBs must obtain all approvals required to tender the Equity Shares held by them in this Buy-Back (including without limitation the approval from the RBI). It is the obligation of such non-resident shareholders, NRI, OCB shareholders, to obtain such approvals and submit the same along with the Tender Form, so as to enable them to tender Equity Shares in the Buy-Back and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.

- 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 2019", to the Registrar to the Buyback 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. **Monday, January 13, 2020 (by 5 P.M.)**:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp Vasant Oasis,
Makwana Road, Marol, Andheri (E), Mumbai - 400059
Tel: +91-22- 6263 8200
Fax: +91-22- 6263 8280
Email: buybackoffer@bigshareonline.com
Website: www.bigshareonline.com
Contact person: Mr. Arvind Tandel
SEBI Registration Number: INR000001385

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 28,00,000 Equity Shares from the Equity Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer route at a price of ₹700/- (Rupees Seven Hundred Only) per Equity Share, payable in cash for an aggregate amount of ₹ 1,960,000,000.00 (Rupees One Hundred and Ninety Six Crores Only). The maximum number of Equity Shares proposed to be bought back represents 4.44% 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 November 05, 2019 (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 20.01% and 20.14% 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, 2019 (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 as on the date of record date i.e., November 22, 2019 is 3,47,79,721 Equity Shares which represents 55.10% 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 September 24, 2019, as described in details under clause 6.5.
- 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 55.10 % to 55.16% 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:**
- i. The Company has announced November 22, 2019 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.
 - ii. 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**").
 - iii. 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 November 22, 2019 was ₹ 473.90. Accordingly, all Equity Shareholders holding not more than 422 Equity Shares as on the Record Date are classified as "Small Shareholders" for the purpose of the Buyback.

- iv. Based on the above definition, there are 35,549 Small Shareholders in the Company with aggregate shareholding of 21,79,093 Equity Shares as on Record Date, which constitutes 3.45% of the outstanding number of Equity Shares of the Company and 77.82 % of the Maximum Number of Equity Shares which the Company proposes to Buy back as a part of this Buyback.
- v. 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 28,00,000 Equity Shares which works out to 4,20,000 Equity Shares; or
 - (2) The number of Equity Shares entitled as per their shareholding as on the Record Date (i.e. $(21,79,093 / 6,31,29,133) \times 28,00,000$) which is 96,651 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, 4,20,000 Equity Shares have been reserved for the Small Shareholders ("Reserved Category") and accordingly, the General Category for all other Eligible Shareholders shall consist of 23,80,000 Equity Shares ("General Category")
- vi. 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	16 Equity Shares out of every 83 fully paid-up Equity Shares held on the Record Date
General category for all other Equity Shareholders	23 Equity Shares out of every 589 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 5 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.

Adjustment for fractional results in case of proportionate acceptance as described in 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.

19.10 Clubbing of Entitlement

In order to ensure that the same Eligible Shareholders with multiple demat accounts / folios do not receive a higher entitlement under the Small Shareholder category, the Registrar to the Buy-back will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder Or General Category) and the Buy-back Entitlement. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence Of the PANs of the joint shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds /trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buy-back 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 the 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.

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 and please follow the procedure as mentioned in para 20.9 below.

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 24(v) 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, 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 is open to all Eligible Shareholders and beneficial owners of Equity Shares of the Company as on the Record Date i.e. November 22, 2019, as per the records made available to the Company by the Depositories/registrar as on the Record Date. An Eligible Shareholder who wishes to tender their shares in the Buyback must have an active demat account, trading account and bank account.
- ii. The Buyback shall be undertaken on a proportionate basis through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall, subject to applicable laws, be facilitated by tendering of Equity Shares by the Eligible Shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.
- iii. For the implementation of the Buyback Offer, the Company has appointed "RLP Securities Private 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:

R.L.P. Securities Private Limited
(SEBI Regd No. INZ 000166638)
402, Nirmal Towers, Dwarakapuri Colony
Punjagutta, Hyderabad,
Telangana – 500 082.
Tel No. +91 40 23352485; Fax: +91 40 23351238
Email: rlp_vpir@yahoo.com
Contact Person: Mr.Ch.Varapasad,

- iv. The Company will request the Stock Exchanges, i.e. BSE and NSE, to provide a separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buyback. Accordingly, Equity Shares may be tendered in the Buyback through either BSE or NSE. BSE would be the designated stock exchange for the Buyback. The details of the Acquisition Window will be specified by the Stock Exchanges from time to time.
- v. In the event Selling Member of any Eligible Shareholder is not registered with BSE as a trading member/stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register himself by using quick unique client code ("UCC") facility through that BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholder is not able to identify a BSE registered stock broker, then such Eligible Shareholder may contact the Manager to the Buyback for assistance in approaching a BSE registered stock broker.

- vi. All Eligible Shareholders, through their respective Selling Member(s) will be eligible and responsible to place orders in the Acquisition Window.
- vii. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers during normal trading hours of the secondary market. In the tendering process, the Company Broker may also process the orders received from the Eligible Shareholders.

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

- i. **In accordance with the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, the Company will not be able to accept Equity Shares tendered in physical form in the Buyback. Eligible Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized before tendering their Equity Shares in the Buyback.**

In case any person who has submitted the Equity Shares held by them in the physical form for dematerialisation should ensure that the process of getting the Equity Shares dematerialised is completed before such Eligible Shareholders tender their Equity Shares in the Buy-back, so that they can participate in the Buyback.

- ii. Eligible Shareholders who desire to tender their Equity Shares in dematerialised form under the Buyback would have to do so through their respective stock broker by indicating the details of Equity Shares they intend to tender under the Buyback, to their stock broker.
- iii. Each Stock broker would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of the Indian Clearing Corporation Limited or the National Securities Clearing Corporation (the "Clearing Corporation"), by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation prior to placing the bid by the stock broker.
- iv. The details of the special account of the Clearing Corporation shall be informed in the issue opening circular that will be issued by the Stock Exchanges/Clearing Corporation.
- v. For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by the custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- vi. Upon placing the bid, the stock broker shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of the order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered, etc.
- vii. Modification/cancellation of orders will be allowed during the tendering period of the Buyback.
- viii. The cumulative quantity of Equity Shares tendered under the Buyback shall be made available on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

METHOD OF SETTLEMENT

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

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

- i. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- ii. The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India/Eligible Shareholders' bank, due to any reason, then such funds will be transferred to the concerned stock broker's settlement bank account for onward transfer to such Eligible Shareholders.
- iii. The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company ("Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.
- iv. In case of certain client types viz. Non-Resident Shareholders (where there may be specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder Broker's settlement accounts for releasing the same to the respective Eligible Shareholder account. For this purpose, the client type details would be collected from the Depositories, whereas amount payable to the Eligible Shareholder pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Stock Exchanges and the Clearing Corporation from time to time.
- v. The Eligible Shareholders 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 Equity Shares under the Buyback.
- vi. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders will be returned to them by the Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to such Eligible Shareholder.
- vii. The Company's Broker would issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- viii. Eligible Shareholders who intend to participate in the Buyback should consult their respective stock broker for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the stock broker upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders 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 Shareholders.
- ix. The Equity Shares accepted, bought and lying to the credit of the Company's Demat Account will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

21. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION 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.

FINANCE (NO. 2) ACT, 2019 HAS EXTENDED THE PROVISIONS OF SECTION 115QA OF INCOME TAX ACT, 1961 TO DISTRIBUTED INCOME ON BUY-BACK OF EQUITY SHARES OF A COMPANY LISTED ON A RECOGNIZED STOCK EXCHANGE AS WELL AND SUBSEQUENTLY EXEMPTING THE INCOME ARISING OUT OF SUCH BUY-BACK FOR THE SHAREHOLDERS UNDER SECTION 10(34A). THE FINANCE BILL HAS ALSO MADE CERTAIN OTHER CHANGES SUCH AS INCREASE IN THE SURCHARGE RATE FOR CERTAIN CATEGORY OF TAX PAYERS, INCREASING THE TURNOVER THRESHOLD FOR COMPANIES WHO WILL BE LIABLE FOR CORPORATE TAX AT 25%.

A SUMMARY OF THE RELEVANT PROVISIONS PASSED AS PER FINANCE (NO. 2) ACT, 2019 HAS BEEN GIVEN IN PARA 7.

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 THIS TAX SUMMARY AND THERE CAN BE NO LIABILITY ON THE COMPANY IF ANY ACTION IS TAKEN BY THE ELIGIBLE SHAREHOLDER SOLELY BASED ON THIS TAX SUMMARY.

THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY OF TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY-BACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. GENERAL

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

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the 'situs' of such shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Taxation Avoidance Agreement ("DTAA") subject to satisfaction of the relevant conditions and documentary compliance requirements prescribed under the ITA.

The ITA also provides for different tax regimes/ rates applicable to the gains arising on buy-back of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buy-back of equity shares listed on the stock exchanges in India is set out below.

All references to equity shares in this note refer to equity shares listed on the stock exchanges in India unless stated otherwise.

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)
- Indian Company
- Others

B) Non-Resident Shareholders being:

- Non-Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Foreign Company
- Other than Company

3. CLASSIFICATION OF INCOME

Shares can be classified under the following 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 of Business or Profession", hereinafter referred to as "Business Income")

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). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements on whether gains from transactions in securities should be taxed as "business profits" or as "capital gains". However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. The apex body of Income -tax administrations, i.e., Central Board of Direct Taxes ("CBDT") 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 in dispute by the Tax Officer. However, the choice on characterization, once taken by the taxpayer in a particular tax year, should be consistent and shall remain applicable in the subsequent tax years as well and the taxpayer shall not be allowed to opt into a different or contrary stand in this regard.

Further, investments by FII /FPI in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as capital asset and the transfer of such shares would be treated as "capital gains" under the provisions of the Income Tax Act.

A) SHARES HELD AS INVESTMENT

- i) 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 Buy-back of shares of a company listed on stock exchanges in India 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 computation of Capital Gain contained in Section 48 of the Income Tax Act. The provisions of buy back tax under section 115QA in Chapter XII - DA of the Income Tax Act do not apply for shares listed on the stock exchange till 5th July, 2019. For non-residents, capital gains would be subject to taxability under the Income Tax Act or provisions of the relevant DTAA, whichever is more beneficial. However, in order to avail the benefits of DTAA, the non-resident shareholder shall furnish a tax residency certificate (as stipulated under section 90 of the Income Tax Act).

The consequential income will be exempted in the hands of the shareholder irrespective of the class/residential status of the shareholder and purpose for which shares are held (i.e. as "Investments" or "Stock in Trade") under sub-clause(34A) of Section 10 of Income Tax Act and hence the tax implications if any will be borne by the Company as per the applicable Rules, Laws, Acts, etc.

ii) 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 therefrom 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 therefrom shall be taxable as 'long-term capital gains' ("LTCG").

iii) Buy-back of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognized stock exchange in India, 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.

The taxability of buyback proceeds in the hands of the eligible shareholder should be as under:

- With effect from April 1, 2018, buyback of equity shares (which is subject to STT) will be taxable as LTCG in accordance with the provisions of section 112A of the Income Tax Act.
- LTCG will be the difference between the consideration paid by the Company on buyback of equity shares and the 'specified cost of acquisition' of such shares.
- The 'specified cost of acquisition' of the equity shares which are acquired prior to February 1, 2018 will be the higher of:
 - (i) the cost of acquisition of equity shares;
 - or
 - (ii) Lower of-
 - (a) the fair market value of equity shares; and
 - (b) the full value of consideration received or accruing as a result of the transfer of the equity shares.

- Fair market value is defined to mean the value as on January 31, 2018 which is the highest price of the equity shares quoted on the stock exchange.
- LTCG exceeding ₹ 100,000 will be subject to tax at 10% (plus applicable surcharge and cess) without any indexation benefit.
- However, in this regard, section 112A will not apply if equity shares are acquired on or after October 1, 2004 and STT was not paid except in situations provided in Notification No. 60/2018/F. No. 370142/9/2017-TPL dated October 1, 2018, namely:

- (a) where acquisition of existing listed equity share in a company whose equity shares are not frequently traded in a recognized stock exchange of India is made through a preferential issue

The exception to (a) above are the following cases:

- (i) Acquisition of shares approved by the Supreme Court, High Court, National Company Law Tribunal, Securities and Exchange Board of India or Reserve Bank of India;
 - (ii) Acquisition of shares by any non-resident in accordance with foreign direct investment guidelines issued by the Government of India;
 - (iii) Acquisition of shares by Category I or a Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012 or a qualified venture capital fund referred to in section 10(23FB) or a Qualified Institutional Buyer; and
 - (iv) through preferential issue to which the provisions of chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not apply.
- (b) where transaction for acquisition of existing listed equity share in a company is not entered through a recognized stock exchange in India:

The exception to (b) above are as follows:

Acquisition of listed equity shares in a company which has been made in accordance with the provisions of the Securities Contracts (Regulation) Act, 1956, and is:

- (i) by scheduled banks, reconstruction or securitization companies or public financial institutions during their ordinary course of business;
- (ii) approved by the Supreme Court, High Courts, National Company Law Tribunal, Securities and Exchange Board of India or Reserve Bank of India in this behalf;
- (iii) under employee stock option scheme or employee stock purchase scheme framed under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (iv) by any non-resident in accordance with foreign direct investment guidelines of the Government of India;
- (v) in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
- (vi) from the Government;
- (vii) by Category I or a Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012 or a qualified venture capital fund referred to in section 10(23FB) or a Qualified Institutional Buyer, etc.

- Where Section 112A is not applicable, LTCG will be chargeable to tax for resident Individuals at 20% with indexation or at 10% without indexation, along with the rebate as is applicable.
- STCG on buyback of equity shares will be subject to tax at 15% under section 111A of the Income Tax Act. Rebate for resident Individuals under section 87A of the Income Tax Act is available on tax payable under section 11 A of the Act.

In the case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax (i.e., basic exemption limit) is required to be considered while computing LTCG or STCG taxable under section 111A or 112A of the Income Tax Act. Applicable surcharge and health and education cess are leviable in addition to the tax above (*Please see below for rate of surcharge and cess*).

Further, resident corporate shareholders would also be subject to Minimum Alternate Tax ("MAT") under section 115JB of the Income Tax Act at the rate of 18.50%. Foreign companies will not be subject to MAT if the country of residence of such foreign company has entered into a DTAA with India and such foreign company does not have a permanent establishment in India. Non-Resident Shareholders can avail beneficial provisions of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the Act.

The Foreign Institutional Investors will have to pay tax at the rate of 30% on short term capital gains or at the rate of 10% on long term capital gains u/s 115AD of the ITA. Provided that the amount of income-tax calculated on the income by way of short-term capital gains referred to in section 111 A of the ITA shall be at the rate of fifteen per cent and in case of income arising from the transfer of a long-term capital asset referred to in section 112A of the ITA, income-tax at the rate of ten per cent shall be calculated on such income exceeding one lakh rupees.

4. TAX DEDUCTION AT SOURCE

A. In case of Resident Shareholders

In absence of any specific provision under the IT Act, the Company shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

B. In the case of Non-Resident Shareholders

The non-resident is primarily responsible for discharging of tax, as applicable, since the buyback is through stock exchange. The non-resident shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident shareholders must file their tax return in India inter-alia considering gains arising on this buyback of shares in consultation with their tax advisors. The non-resident shareholders undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to the non-resident shareholders on buyback of shares by the Company. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

THE TAX RATES AND OTHER PROVISION MAY UNDERGO CHANGES.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required by Clause (ix) and Clause (x) of Schedule I under Regulation 5(iv)(b) 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:
- immediately following the date of the Board Meeting held on September 24, 2019, 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;
 - as regards the Company's prospects for the year immediately following the date of the Board Meeting convened for approving the Buyback i.e., September 24, 2019 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
 - 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 September 24, 2019.

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 September 24, 2019 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 Regulation 5(iv)(b) of Schedule I of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2019 (as amended) ("Buyback Regulations")

1. This report is issued in accordance with the terms of our engagement letter dated 19 September 2019.
2. The Board of Directors of Kaveri Seed Company Limited have approved a proposed buy-back of equity shares by the Company (subject to the approval of its shareholders) at its meeting held on 24 September 2019, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 and the Buyback Regulations.
3. We have been requested by the management of the Company to provide a report on the accompanying statement of permissible capital payment as at 31 March 2019 ("Annexure A") prepared by the management of the Company, which we have initiated for identification purpose only.

Management's Responsibility for the Statement

4. The preparation of the Statement in accordance with Section 68 (2)(c) of the Act and regulation 4(i) of Buyback Regulations and its compliance 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. 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.
5. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and from the date on which the results of the shareholders resolution with regard to the proposed buyback are declared and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code, 2016.

Auditors' Responsibility

6. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide reasonable assurance that:

- a. 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 2019;
 - b. the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone and consolidated financial statements as at March 31, 2019 in accordance with Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations; and
 - c. the Board of Directors in their meeting dated 24 September 2019, have formed the opinion as specified in clause (x) of Schedule I to the 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 that date and from the date on which the results of the shareholders' resolution with regard to the proposed buyback was declared.
7. The audited financial statements, referred to in paragraph 6 above, have been audited by us, on which we have issued unmodified audit opinion vide our report dated 27 May 2019. We conducted our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
 8. 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 ("Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 9. We have complied with the relevant applicable 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

10. Based on enquiries conducted and our examination as stated above and based on the representations, information and explanations given to us, 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 2019 which have been approved by the Board of Directors of the Company on 27 May 2019;
 - b) The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith as Annexure A, in our view, has been determined in accordance with Section 68(2) (c) of the Act and Regulation 4(i) of the Buyback Regulations. 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 2019;
 - c) The Board of Directors of the Company, in their meeting held on 24 September 2019 have formed their opinion as specified in clause (x) of Schedule I to the 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 aforesaid date of the meeting of the Board of Directors and from the date on which the results of the shareholder's results with regard to the proposed buyback was declared.

Restriction on Use

11. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Act, and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the explanatory statement to the notice for special resolution, public announcement, and other documents pertaining to buyback 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 to the buyback, each for the purpose of extinguishment of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose.

For M.Bhaskara Rao & Co.,
Chartered Accountants
Firm Reg No: 000459S

Sd/-
M.V.Ramana Murthy
Partner
Membership No. 206439

Hyderabad, 24 September 2019
UDIN: 19206439AAAABQ7681

Annexure A

Statement of permissible capital payment

Computation of amount of permissible capital payment for the buy-back of equity shares in accordance with Section 68(2) of the Companies Act, 2013 and Securities and Exchanges Board of India (Buy-Back Securities) Regulations, 2019 based on audited standalone and consolidated Ind AS financial statements as at and for the year ended 31st March, 2019

	Amount (Rs. In Lakhs)	
	Standalone	Consolidated
Particulars		
Paid up equity share capital as on March 31, 2019 (A)	1,262.58	1,262.58
Free Reserves as on March 31, 2019		
Securities Premium Account	--	--
General Reserves	1,000.00	1,002.00
Retained Earnings	95,681.44	95,071.80
Total Free Reserves (B)	96,681.44	96,073.80
Total paid up capital and free reserves (A+B)	97,944.02	97,336.38
Maximum amount permissible for buyback under Section 68 of the Act and Regulation 4(i) of the SEBI Buyback Regulations (25% of the total equity paid-up capital and free reserves with the shareholder approval)	24,486.01	24,334.10
Maximum amount permitted by board resolution dated 24 September 2019 approving Buyback, subject to shareholders approval, based on the audited financial statements for the year ended 31 March 2019.	19,600.00	19,600.00

We certify that above computation of permissible capital payment for buyback of Equity Shares is based on audited standalone and consolidated financial statements of the Company as at and for the year ended on 31 March 2019 which have been approved by the Board of Directors in their meeting held on 27 May 2019.

For Kaveri Seed Company Limited

Sd/-
G.V.Bhaskar Rao
Chairman and Managing Director

Hyderabad, 24 September 2019

Statement referred to in our certificate of even date

For N.Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S

Sd/-
M V Ramana Murthy
Partner
Membership No.206439
Hyderabad, 24 September 2019
UDIN: 19206439AAAABQ7681

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. Copy of Certificate of Incorporation of the Company.
- b. Memorandum and Articles of Association of the Company.
- c. Annual reports of the Company for the preceding three financial years ended March 31, 2019, 2018 and 2017 and the limited review financial statements for the six months period ended 30th September, 2019.
- d. Certified copy of resolution passed by the Board of Directors at their meeting held on September 24, 2019 approving the proposal of the Buyback.
- e. Certified copy of special resolution passed by the Shareholders through postal ballot notice dated September 24, 2019 the results of which were declared on November 05, 2019 approving the proposal of the Buyback.
- f. Certificate dated September 24, 2019 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 November 13, 2019 certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations.
- h. Public Announcement dated November 06, 2019 published in the newspapers on November 07, 2019 regarding Buyback.
- i. 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. Escrow Agreement dated November 07, 2019 amongst the Company, Karvy Investor Services Limited and HDFC Bank Limited and addendum to the Escrow Agreement dated December 19, 2019.
- k. Confirmation letter by the Escrow Agent dated December 20, 2019 that the Escrow Account has been opened and Escrow Amount has been deposited.
- l. SEBI comments *vide* letter no. SEBI/HO/CFD/DCR-1/OW/P/2019/33807 dated December 18, 2019 issued in terms of the Buyback Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buyback Offer

K.V.Chalapathi Reddy,
Chief Financial Officer
Kaveri Seed Company Limited
513-B, 5th Floor, Minerva Complex, SD Road,
Secunderabad – 500003, Telangana
Tel: +91 - 40-27721457; Fax: +91-40-27811237
Website: www.kaveriseeds.in;
Email: cfo@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, Hyderabad
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 OFFER

In case of any queries related to Buyback, Equity shareholders may contact the Registrar to the Buyback, 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:



Bigshare Services Pvt. Ltd.

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp Vasant Oasis,
Makwana Road, Marol, Andheri (E), Mumbai - 400059
Tel: +91-22- 6263 8200
Fax: +91-22- 6263 8280
Email: buybackoffer@bigshareonline.com
Website: www.bigshareonline.com
Contact person: Mr. Arvind Tandel
SEBI Registration Number: INR000001385

28. DETAILS OF THE MANAGER TO THE BUYBACK OFFER

KARVY INVESTMENT BANKING

KARVY INVESTOR SERVICES LIMITED

Plot No.31, 8th Floor, Karvy Millennium,
Nanakramguda, Financial District, Gachibowli
Hyderabad - 500 032,

Telangana, India.

Tel.: +91 40-23428774/23312454

Fax: +91 40-23374714/23311968

Email: cmg@karvy.com

Website: www.karvyinvestmentbanking.com

Contact Person: M.P.Naidu /P.Pranavi

SEBI Registration No.: INM000008365

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

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts responsibility for all the information contained in this 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 Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on September 24, 2019.

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

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

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

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

Date: December 21, 2019

Place: Hyderabad

Enclosure: Tender Form for Shareholders holding Equity Shares in Dematerialized Form

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

Bid Number: _____

Date: _____

BUYBACK OPENS ON		TUESDAY, DECEMBER 31, 2019	
BUYBACK CLOSES ON		MONDAY, JANUARY 13, 2020	
For Registrar / Collection Centre Use:			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/>	Individual	<input type="checkbox"/>	FII
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / FI
<input type="checkbox"/>	VCF	<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)
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India
<input type="checkbox"/>		<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 December 21, 2019 in relation to Buyback of upto 28,00,000 Equity Shares of Kaveri Seed Company Limited (the "Company") at a price of ₹ 700/- (Rupees Seven Hundred only) per Equity Share (the "Offer Price") payable in cash

1. I / We (having read and understood the Letter of Offer dated December 21, 2019) 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.
2. 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.
3. 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.
4. 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.
5. 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 may be paid to the first named shareholder.
6. I / We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians / authorized dealers / tax advisors appropriately.
7. In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the clearing corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for demat Shareholders.
8. I / We agree that the consideration for the accepted Equity Shares will be paid as per secondary market mechanism.
9. I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me / us.
10. 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 give effect to the Buy-back in accordance with the Act and the Buy-back Regulations.

----- 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 _____

Client ID _____

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

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

11. 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. November 22, 2019		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including Additional Shares)		

Applicable for all Non-resident shareholders – I / We undertake to pay income taxes in India on any income arising on such Buy-back Offer and taxable in accordance with the prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-back of shares by me / us.

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.

12. 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		

13. Equity Shareholders Details:

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

*Corporate must affix rubber stamp and sign under the valid authority. The relevant corporate authorization shall be enclosed with the application form submitted.

INSTRUCTIONS

- This Buy-back will open on Tuesday, 31st December, 2019 and close on Monday, 13th, January, 2020.
- 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.
- The Equity Shares tendered in the Buy-back Offer shall be rejected if (i) the shareholder is not a shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the shareholder.
- The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares tendered by them, due to rejection or due to the Buy-back Offer being on a proportionate basis in terms of the Ratio of Buy-back.
- Eligible Shareholders to whom the Buy-back Offer is made are free to tender Equity Shares to the extent of their Buy-back Entitlement in whole or in part or in excess of their entitlement.
- In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the Buy-back by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buy-back.
- For the procedure to be followed by Eligible Shareholders for tendering their Equity Shares in the Buy-back Offer, please refer to paragraph 20 of the Letter of Offer.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- The dematerialized Equity Shares tendered by Eligible Shareholders shall be rejected in case of receipt of the completed Tender Form and other documents but non-receipt of Equity Shares in the special account of the Clearing Corporation or non-receipt of valid bid in the exchange bidding system.
- Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buy-back Offer (including without limitation the approval from the RBI).
- The Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of 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.

BIGSHARE SERVICES PRIVATE LIMITED
 E/2, Ansa Industrial Estate, Sakivihar Road,
 Sakinaka, Andheri (E), Mumbai - 400 072
 Tel: +91-22-404 30 200
 Fax: +91-22-2847 5207
 E-Mail: buyback@bigshareonline.com
 Contact Person: Mr Arvind Tandel

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भारतीय प्रतिभूति
और विनियम बोर्ड
Securities and Exchange
Board of India

निगम वित्त विभाग / CORPORATION FINANCE DEPARTMENT
निगम पुनर्संरचना प्रभाग / DIVISION OF CORPORATE RESTRUCTURING
ई-मेल / E-mail - rohani@sebi.gov.in
दूरभाष सं. / Tel. No: 022-2644 9054

सेबी/एच.ओ./सी.एफ.डी./डी.सी.आर.-1/ओ.डब्ल्यू./पी./2019/
SEBI/HO/CFD/DCR-1/OW/P/2019/ 33807

December 18, 2019

Karvy Investor Services Limited
Plot No.31, 8th Floor
Karvy Millennium
Nanakramguda
Financial District, Gachibowli
Hyderabad - 500 032

महोदय / महोदया,
Sir / Madam,

विषय / Sub: भारतीय प्रतिभूति और विनियम बोर्ड (प्रतिभूतियों को क्रय द्वारा वापस लेना) विनियम, 2018 [सेबी (बाय-बैक ऑफ़ सिक्युरिटीज़) रेग्युलेशन्स, 2018] के अनुसार कंपनी Kaveri Seed Company Limited के इक्विटी शेयरों को क्रय द्वारा वापस लेना /Buy-back of equity shares of the Company Kaveri Seed Company Limited in terms of SEBI (Buy-back of Securities) Regulations, 2018 [Buyback Regulations]

1. आप कृपया अपने तारीख 14.11.2019 के पत्र के माध्यम से प्रस्तुत किए गए प्रारूप प्रस्ताव-पत्र (ड्राफ्ट लेटर ऑफ़ ऑफ़र) का संदर्भ लें।
Please refer to the draft letter of offer submitted vide your letter dated 14.11.2019.
2. मर्चेंट बैंकर (बैंककार) होने के नाते, आप यह सुनिश्चित कर लें कि प्रेस या किसी अन्य मीडिया को विज्ञापन, प्रेस विज्ञप्ति, साक्षात्कार आदि के माध्यम से दिया जाने वाला कोई भी बयान (कथन) (फिर चाहे वह बयान आपके द्वारा दिया जा रहा हो या फिर कंपनी द्वारा दिया जा रहा हो) प्रस्ताव-पत्र (लेटर ऑफ़ ऑफ़र) में प्रकट किए गए तथ्यों (प्रकटीकरणों) के अनुरूप ही हो।
As a Merchant Banker, you are advised to ensure that any statements made to the press or any other media by way of advertisements, press release, interview etc., either by you or by the company shall only be based on disclosures contained in the letter of offer.
3. भारतीय प्रतिभूति और विनियम बोर्ड (प्रतिभूतियों को क्रय द्वारा वापस लेना) विनियम, 2018 के विनियम 8(ii) के अनुसार, हम प्रस्तावित प्रस्ताव (ऑफ़र) हेतु प्रारूप प्रस्ताव-पत्र (ड्राफ्ट लेटर ऑफ़ ऑफ़र) के संबंध में

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा कुरुला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई वी. आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in
Page 1 of 4

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.
Tel.: 2644 9950 / 4045 9950 (IVRS), 2644 9000 / 4045 9000 Fax : 2644 9019 to 2644 9022 Web : www.sebi.gov.in



अनुवर्ती :
Continuation :

**भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India**

अपनी टिप्पणियाँ आपका सूचित कर रहे हैं, जिनका उल्लेख हमने इस पत्र के साथ लगे 'संलग्नक' में कर दिया है और जिन्हें प्रस्ताव-पत्र में अवश्य शामिल किया जाए।

In terms of Regulation 8(ii) of the Buyback Regulations, we convey our comments on the draft letter of offer for the proposed offer, given in Annexure to this letter, which shall be incorporated in the letter of offer.

4. प्रस्ताव-पत्र (शेयर सौंपे जाने संबंधी फॉर्म (टेंडर फॉर्म) सहित) इस पत्र के प्राप्त होने की तारीख से पाँच कार्य-दिवसों के भीतर प्रेषित कर दिया जाए और उसके बाद प्रस्ताव (ऑफर) पाँच कार्य-दिवसों के भीतर खोल दिया जाए। क्रियाकलापों (एक्टिविटी) की संशोधित समय-सारणी और उसके अनुसार पड़ने वाले प्रभावों / उसके अनुसार दूसरी बाधताओं के पालन संबंधी अपेक्षाओं के मद्देनजर प्रस्ताव पत्र में, जहाँ-जहाँ जरूरी हो, आवश्यक बदलाव किए जाएँ।

The letter of offer along with tender form should be dispatched within five working days from the date of receipt of this letter and offer may open not later than five working days thereafter. Suitable amendments regarding the revised activity schedule and consequential effects/compliance of other obligations should be carried out in the letter of offer, wherever required.

5. आप प्रस्ताव (ऑफर) के खुलने की तारीख से पहले प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) में उपरोक्त बदलाव करके प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) की सॉफ्ट कॉपी भिजवा दें, ताकि हम उसे अपने वेबसाइट पर डलवा सकें और साथ ही आप हमें उसकी दो प्रिंट की हुई हार्ड कॉपी भी हमारे रिकॉर्ड के लिए भिजवाएँ।

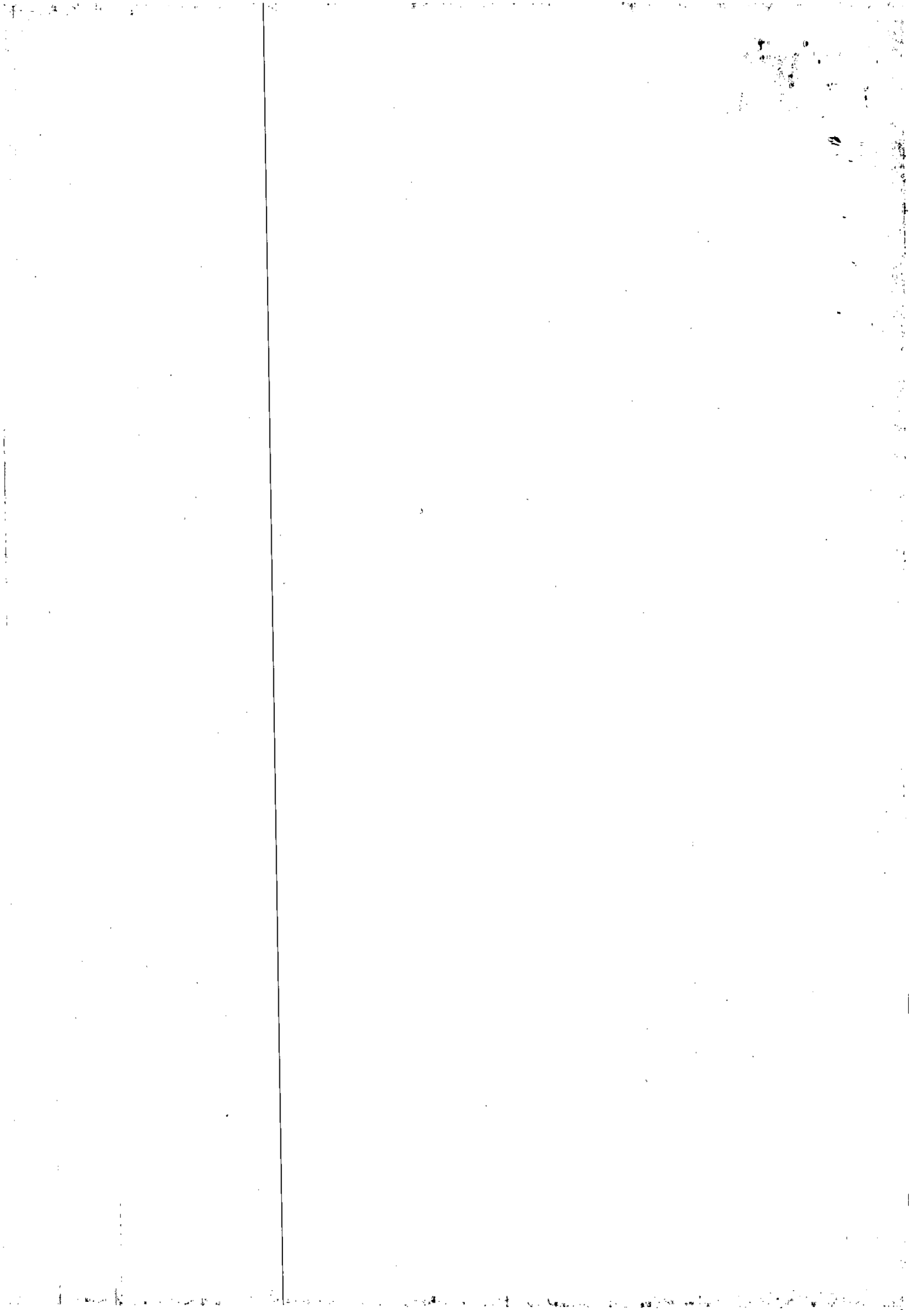
You shall submit a soft copy and two hard copies of the printed offer document incorporating the above mentioned changes for making the same available at our website and for the purpose of our records respectively before the offer opening date.

6. जिस पत्र (कवरिंग लेटर) के साथ प्रिंट किया हुआ (मुद्रित) प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) प्रस्तुत किया जाए, उसमें यह साफ-साफ उल्लेख हो कि इस पत्र में दी हुई हमारी हर टिप्पणी के संबंध में क्या कार्रवाई की गई और साथ ही प्रिंट किए हुए प्रस्ताव दस्तावेज की संबंधित पृष्ठ संख्याओं (पेज नंबरों) का भी उल्लेख किया जाए। प्रस्ताव दस्तावेज की प्रिंट की हुई किसी एक हार्ड कॉपी में, इस पत्र के माध्यम से सूचित की गई टिप्पणियों के अनुसार प्रस्ताव दस्तावेज में किए गए बदलावों को सही ढंग से उजागर (हाइलाइट) करके दर्शाया जाए।

The covering letter, whereby the printed offer document is submitted, should specify how each of our comments mentioned in this letter has been dealt with, giving reference to the relevant page nos. of the printed offer document. In one of the hard copies of the printed offer document, changes in the offer document pursuant to comments conveyed vide instant letter should be duly highlighted.

7. यदि सुझाए गए बदलाव प्रस्ताव-पत्र (लेटर ऑफ ऑफर) में नहीं किए गए और उक्त विनियमों के प्रावधानों का उल्लंघन किया गया, तो उपयुक्त कार्रवाई की जाएगी। इसके अतिरिक्त, हमारे पास प्रस्तुत किए गए प्रस्ताव-पत्र में ऊपर बताए गए बदलावों के अलावा दूसरे कोई भी बदलाव न किए जाएँ।

The failure to carry out the suggested changes in the letter of offer as well as violation of provisions of the Regulations will attract appropriate action. Further apart from above, no other changes shall be carried out in the letter of offer submitted to us.





अनुवर्ती :
Continuation :

**भारतीय प्रतिभूति
और विनियम बोर्ड
Securities and Exchange
Board of India**

8. हालाँकि, प्रस्ताव-पत्र (लेटर ऑफ ऑफर) दाखिल कर देने मात्र से, कंपनी को कंपनी अधिनियम, 2013 (कंपनीज़ एक्ट, 2013) की धारा 68, धारा 69 और धारा 70 के किसी भी प्रावधान से अथवा ऐसी किसी भी अपेक्षा से छूट नहीं मिलेगी, जिसके अनुसार प्रस्तावित प्रस्ताव (ऑफर) के प्रयोजनार्थ कानूनी तौर पर कोई मंजूरी लेना या दूसरी कोई मंजूरी लेना जरूरी हो।

The filing of letter of offer does not, however, absolve the company from any provisions of Section 68, Section 69 and 70 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed offer.

9. उपरोक्त टिप्पणियाँ जारी करने से किन्हीं मौजूदा कानूनों, नियमों या विनियमों (रेग्यूलेशन्स) के तहत मंजूरियाँ लिए जाने संबंधी अपेक्षाओं पर प्रतिकूल प्रभाव नहीं पड़ेगा।

The above comments are issued without prejudice to the applicability of any approvals to be obtained under any Laws, Rules or Regulations for the time being in force.

भवदीय / Yours faithfully,

Rohan Israni (रोहन इसरानी)

सहायक प्रबंधक / Assistant Manager



अनुवर्ती :
Continuation :

भारतीय प्रतिभूति
और विनियम बोर्ड
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Annexure / संलग्नक

S. No.	Contents / Comments
1.	Update the data in the draft letter of offer (DLoO), at all applicable places, as on Record Date. Provide the pre buy-back shareholding pattern of the Company as on record date in the Letter of Offer.
2.	Ensure compliance with regulation 9(xi) of the Buyback Regulations to deposit the applicable amount in the Escrow Account before opening of the Buyback Offer and update the same in the letter of offer.
3.	Ensure compliance with SEBI Circulars dated April 13, 2015 and December 09, 2016 with respect to acquisition of shares through stock exchange mechanism. Follow the instructions specified by NSE in their respective circulars issued in connection with mechanism for acquisition of shares through Stock Exchanges pursuant to Buy Back.
4.	Since the designated stock exchange is BSE, ensure that sellers whose brokers are not registered with BSE are able to tender the shares through the buyer broker and make suitable disclosure regarding the same.
5.	Update the necessary sections of the DLoO based on the submissions made to SEBI, if any.
6.	Ensure compliance with regulation 24(1) (b) of the Buyback Regulations 2018 that the company shall not issue any shares or other specified securities including by way of bonus till date of closure of the offer made under the regulation.