

kaveri seed company limited



September 25, 2019

The Corporate Relations Department  
**BSE LIMITED**  
25<sup>th</sup> Floor, Dalal Street  
P.J. Towers,  
Mumbai-400 001

**National Stock Exchange of India Ltd**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra Kurla Complex, Bandra (E)  
Mumbai-400 0051

Scrip Code: 532899

Scrip Code: KSCL

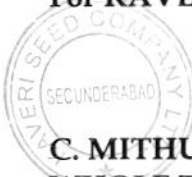
Dear Sir(s),

**Sub: Submission of Certified True Copy of Board Resolution dated 24<sup>th</sup> September, 2019 related to Buyback issue of equity shares of the Company.**

Further to our intimation dated 24<sup>th</sup> September 2019, Please find enclosed herewith Certified True Copy of Board Resolution dated 24<sup>th</sup> September 2019 as required under Regulation 5A of SEBI (Buyback of Securities) Regulations 1998 for your records.

Thanking you,

Yours faithfully,  
**For KAVERI SEED COMPANY LIMITED**



*[Signature]*  
**C. MITHUN CHAND**  
**WHOLE TIME DIRECTOR**

Encls:- a/a.

**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF M/S.KAVERI SEED COMPANY LIMITED HELD ON TUESDAY THE 24<sup>th</sup> DAY OF SEPTEMBER 2019 AT 3.00 PM AT THE REGISTERED OFFICE OF THE COMPANY AT 513-B, 5TH FLOOR, MINERVA COMPLEX, S.D.ROAD, SECUNDERABAD - 500 003, TELANGANA AND CONCLUDED AT 4.45 PM.**

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**APPROVED THE BUYBACK OF EQUITY SHARES OF THE COMPANY**

The Chairman informed the members of the Board that the proposal Buy-back of Equity shares of the Company shall be made out of the free reserves of the Company as at March 31, 2019 based on the audited accounts of the Company for the financial year ended March 31, 2019 in accordance with the SEBI (Buy Back of Securities) Regulations, 2018 (hereinafter referred to as the "**Buyback Regulations**") and the Companies Act, 2013 and rules made there under.

In view of the above, the Chairman placed before the Board the details of Buyback along with auditors' certificate for eligibility of buyback within 25% of the aggregate of paid up capital and free reserves of the Company as per the audited accounts of the Company as on 31st March 2019.

**"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.

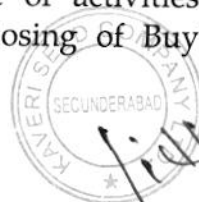
**RESOLVED FURTEHR THAT** Mr. K.V.Chalapathi Reddy, Chief Financial Officer of the Company, be and is hereby appointed as the Compliance Officer for the purposes of Buyback and Bigshare Services Private Limited is appointed as the Investor Service Centre."

**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;

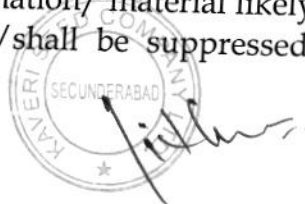
**RESOLVED FURTHER THAT** the quorum for a meeting of the Buyback Committee shall be presence of any two members and the Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions;

**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;

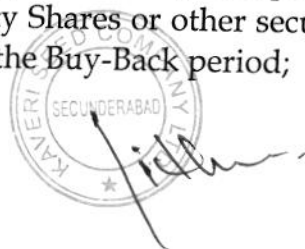
**DECLARATION OF SOLVENCY:**

**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.19600.00 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 standalone and consolidated financials 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;
- (o) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;
- (p) the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;
- (q) 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;



- (r) 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;
- (s) That the Company has been in compliance with Sections 92,123,127 and 129 of the Companies Act; and
- (t) the Company shall not withdraw the Buyback offer after the public announcement of the offer of the Buyback is made;
- (u) 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."

**//CERTIFIED TRUE COPY//**

**For KAVERI SEED COMPANY LIMITED**



**C. MITHUNCHAND**  
**WHOLE TIME DIRECTOR**  
**DIN: 00764906**