kaveri seed company limited

kaveri seeds®

October 13, 2021

BSE Limited	The National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers	Bandra Kurla Complex
Dalal Street, Fort	Bandra East
Mumbai-400 001	Mumbai – 400 051

Sub: Buy Back of 14,11,780 (Maximum buy back shares at Maximum buy back price of Rs.850/- per equity share) equity shares of face value of Rs.2/- each aggregating to an amount of Rs.12,000.13 lakhs (Maximum buy back size) by kaveri seed company limited from the open market through stock exchanges mechanism which was opened on September 02, 2021 and closed on October 11, 2021.

Ref: Post Buyback Public Announcement.

Please find enclosed herewith the Post Buyback Public Announcement published on October 13, 2021 in The Business Standard (All edition - English Daily) pertaining to the Buyback Offer of M/s Kaveri Seed Company Limited, which opened on September 02, 2021 and closed on October 11, 2021.

Please acknowledge the receipt of the same.

Thanking you,

Yours faithfully,
For **Kaveri Seed Company Limited**

KAVERI SEED COMPANY LTD. SECUNDERABAD

C. Mithuchand
Whole Time Director

Encl: a/a

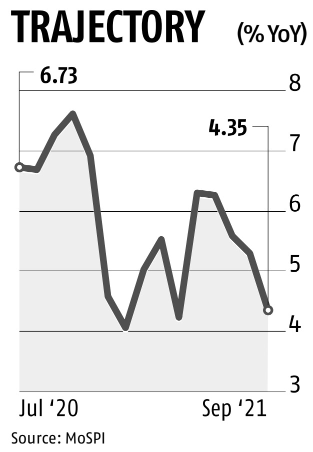
Regd. Office : # 513-B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad - 500 003. Telangana, India
Tel : +91-40-2784 2398, 2784 2405 Fax : +91-40-2781 1237 e-mail : info@kaveriseeds.in
CIN : L01120TG1986PLC006728
www.kaveriseeds.in

MACRO INDICATORS SHOW SIGNS OF RECOVERY

September retail inflation falls to 4.35%, lowest in 5 months

Noticeable slide was orchestrated by a fall in prices of vegetables

INDIVJAL DHASMANA
New Delhi, 12 October



Source: MoSPI

The Consumer Price Index (CPI)-based inflation rate fell to a five-month low of 4.35 per cent in September, from 5.59 per cent in the previous month, as food prices rose at a significantly lower pace of 0.68 per cent, compared to 3.11 per cent over this period, revealed the official data by the National Statistical Office on Tuesday.

This justified the accommodative stance of the Reserve Bank of India's monetary policy committee (MPC).

A part of the fall in inflation rate can also be explained by the rise in the base effect to 7.27 per cent in September 2020, from 6.69 per cent in the previous month.

However, the inflation rate in fuels rose to 13.63 per cent in September, from 12.94 per cent in the previous month.

Within food items, vegetable prices fell at a much faster rate of 22.47 per cent in September, compared to 11.68 per cent in the previous month.

CARE Ratings in a note cautioned that vegetable prices have started moving up sharply of late, which are not getting covered here due to the base effect.

Oils and fats saw inflation rate rising to 34.19 per cent, from 33 per cent in this period.

Also, prices of household goods and services, which include education, personal care and effects, recreation and amusement, health, and transport and communication, rose marginally at 5.92 per cent, against 7.78 per cent during this period.

CARE Ratings said the high inflation of household goods may be a factor when festival demand revives, especially October through December.

Within household services, pent-up demand led to inflation rate in recreation and amusement rising to 7.58 per cent, from 6.48 per cent.

Core inflation, which takes out food and fuel prices, remained elevated at 5.8 per cent in September.

In its policy review last week, the MPC went for a status quo in policy rate and maintained its accommodative stance. It reduced its projections for retail price inflation rate to 5.3 per cent for 2021-22 (FY22), from its earlier prediction of 5.7 per cent. The inflation rate for the first half of the year stood at 5.33 per cent, which means it should fall a bit more if the RBI projections are to come true. The MPC correctly projected the rate at 5.1 per cent in the second quarter of FY22. It stood at 5.08 per cent in the quarter.

Going forward, the MPC projected the rate to fall to 4.5 per cent in the third quarter and then rise to 5.8 per cent in the fourth quarter of the year.

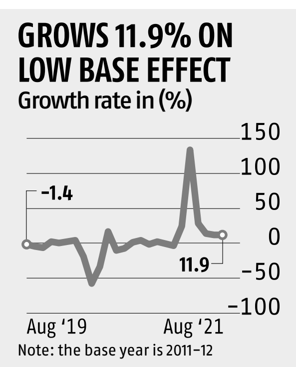
However, global commodity prices, including those of petroleum, could spoil the party. Monetary policy has little effect on global commodity prices.

Rahul Bajoria, chief India economist at Barclays, said, "Overall, we expect elevated global commodity prices to continue to exert upward pressure on India's import basket, which, in turn, will gradually spill over into CPI inflation in the months to come."

Rajani Sinha, chief economist at Knight Frank India, said high core and fuel inflation remain a cause for concern. "With global economic growth gaining momentum, there could be further upward pressure on commodity prices and the central bank would be wary of that. However, there is unlikely to be any change in policy rates in the current year," she said.

IIP goes past pre-Covid levels in August

SHREYA NANDI
New Delhi, 12 October



Note: the base year is 2011–12

Industrial output not only grew at a faster clip at 11.9 per cent in August, compared to 11.5 per cent a month ago, it also rose 3.9 per cent, compared to pre-pandemic levels, revealed the data released by the Ministry of Statistics and Programme Implementation on Tuesday.

However, double-digit growth in industrial production can be attributed largely to the impact of a low base. Factory output in volume terms — measured by the Index of Industrial Production (IIP) - contracted 7.1 per cent in August last year due to disruption caused by the Covid-19 pandemic.

Cumulative growth in April-August (2021-22) was 28.6 per cent, compared to a contraction of 25 per cent in the same period a year ago. "As expected, the IIP expansion recorded mild improvement to 11.9 per cent in August, from 11.5 per cent in July, driven by the positive impact of a subdued rainfall on mining and electricity, even as manufacturing growth moderated," said Aditi Nayar, chief economist, ICRA.

Manufacturing sector output, which accounts for more than 77 per cent of the entire index, grew 9.7 per cent year-on-year (YoY) in August, compared to a contraction of 7.6 per cent last year. On a sequential basis, it contracted moderately at 0.5 per cent.

Growth in electricity generation stood at 16 per cent YoY in August, compared to 1.8 per cent contraction a year ago, but witnessed 2.2 per cent growth sequentially. Mining activity, which accounts for over 14 per cent of the entire index, grew 23.6 per cent YoY, compared to a contraction of 8.7 per cent, but witnessed degrowth of 0.8 per cent sequentially.

"Encouragingly, the IIP rose 3.9 per cent in August, relative to the pre-pandemic levels of August 2019, led by all categories, except consumer durables, highlighting the enduring impact of the pandemic on big-ticket demand," added Nayar.

Consumer durables output witnessed 8 per cent growth in August, compared to a contraction of 10.2 per cent during the same period last year. Consumer non-durables output witnessed degrowth of 5.2 per cent in August, compared to a contraction of 3 per cent last year. Capital goods output — reflective of the private-sector investment scenario — grew 19.9 per cent, compared to 14.4 per cent contraction last year.

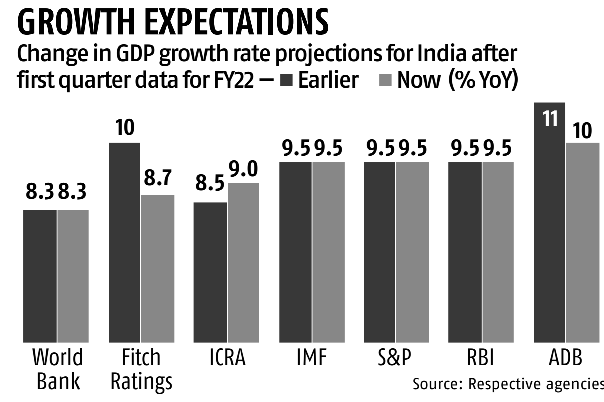
Nayar, however, warned that with excess rainfall affecting mining, electricity, and construction activities, and the non-availability of semiconductors impinging upon automobile (auto) output, IIP growth may dip sharply to 3-5 per cent in September.

"Subsequently, a healthy goods and services tax e-way bill generation for early October suggests inventory build-up ahead of the festival season. This augurs well for the IIP print for the current month, even as continued constraints in the auto sector and the looming concerns on availability of coal and power pose risks," she added.

IMF retains India's 9.5% FY22 growth projection

Scales down retail inflation forecast by 1 percentage point

INDIVJAL DHASMANA
New Delhi, 12 October



Source: Respective agencies

The International Monetary Fund (IMF) has retained its projection for India's economic growth in the current financial year at 9.5 per cent, even as it has moderately scaled down its forecast for the world economy during 2021 by 10 basis points to 5.9 per cent in view of worsening Covid dynamics and supply disruptions.

In its update on World Economic Outlook (WEO), the IMF has maintained India's gross domestic product (GDP) estimates for next financial year at 8.5 per cent, unchanged from its July projections.

The WEO, titled 'Recovery During a Pandemic Health Concerns, Supply Disruptions, and Price Pressures', has forecast world economic growth at 4.9 per cent for 2022, the same as earlier.

Meanwhile, the IMF has cut its China GDP growth projections for 2021 and 2022 by 10 basis points each – to eight and 5.6 per cent, respectively. With this, India will again get the tag of the fastest-growing large economy in the world, both in FY22 and FY23. In 2020, China's was the only major economy that had registered growth. While it had grown 2.3 per cent last year, India's had contracted by 7.3 per cent.

The Fund has also projected India's consumer price index-based inflation rate to decline to 5.6 per cent during the current financial year from 6.2 per cent last year. For the next financial year, it has forecast a further decline to 4.9 per cent, 1.4 percentage points lower than the earlier projection of 6.3 per cent.

IMF HAS SCALED DOWN FORECAST FOR THE WORLD TO 5.9% DURING 2021 DUE TO WORSENING COVID DYNAMICS

Earlier, two other bodies – the monetary policy committee (MPC) of the Reserve Bank of India and Standard and Poor's (S&P) – had retained India's growth projections for FY22 at 9.5 per cent. In its policy review last week, the MPC had also reduced its retail inflation projection for FY22 to 5.3 per cent from its earlier prediction of 5.7 per cent. Also last week, the World Bank had kept its projection for India's economic growth in 2021-22 at 8.3 per cent. However, Fitch Ratings had lowered its projection to 8.7 per cent from its earlier forecast of 10 per cent in view of the impact of the second Covid-19 wave in the country.

Outside of China and India, emerging and developing Asia has been downgraded slightly, as the pandemic has picked up, the IMF has said.

The IMF has also said that the current account balance of India will slip into a deficit of one per cent of GDP this financial year, as against a surplus of 0.9 per cent last year. The deficit will further widen to 1.4 per cent next financial year.

On global economic growth, the IMF has said the downward revision for 2021 reflects a downgrade for advanced economies — in part due to supply disruptions — and for low-income developing countries, largely due to worsening pandemic dynamics.

Centrum-BharatPe gets RBI licence to set up SFB

Plans to start operations with a ₹1,500-cr loan book

ABHIJIT LELE
Mumbai, 12 October

The Reserve Bank of India (RBI) on Tuesday issued a small finance bank (SFB) licence to the Centrum Group-BharatPe consortium. Incorporated as Unity SFB, the lender will start operations in some weeks with a ₹1,500-crore loan book.

The consortium will take over the assets and liabilities of the beleaguered Punjab and Maharashtra Co-operative (PMC) Bank. The timing for integrating PMC will depend upon when the RBI and the government release the scheme for amalgamation, said Jaspal Bindra, chairman of the BSE-listed Centrum Capital.

Rajnish Kumar joins BharatPe as chairman

Rajnish Kumar, former chief of State Bank of India, has joined the board of BharatPe, a fintech firm, as chairman. He will be involved in defining the company's short-term and long-term strategy, and will work closely on key business and regulatory initiatives, BharatPe said in a statement. BS REPORTER

Bindra said with the RBI issuing an SFB licence, the focus will shift to board formation and creating a top management team. The bank will become functional before the close of this year and will aspire to be India's first digital bank.

"We will work tirelessly to capture this opportunity and build India's first truly digital bank ground-up," said Ashneer Grover, co-founder and managing director, BharatPe.

In June, the RBI gave "in-principle" approval to Centrum Financial Services (CFSL) to set up an SFB.

Centrum will merge its small and medium-sized enterprises lending business and micro-credit operations with the SFB for a consideration of ₹426 crore. These businesses are run by two subsidiaries.

Bindra-led Centrum Capital, the holding entity for CFSL, and its partner BharatPe, a payments system company, will infuse ₹1,800 crore into the SFB. BharatPe will also move its loan assets to Unity SFB.

The proposed business model is one of collaboration and open architecture, uniting all its stakeholders to deliver a seamless digital experience, added Bindra.

RBI bars Srei Infra auditor Haribhakti & Co for 2 years

This is 1st time an auditor has been implicated under Section 45MAA

ANUP ROY
Mumbai, 12 October

COMPANY'S ASSIGNMENTS
As of FY21

Company Name	Type	Appointment Period
Axis Bank	Statutory	Current Financial Year
IndusInd Bank	Statutory	Current & Next Financial Year
RBL Bank	Statutory	Current & Next Financial Year
Shriram Trans.	Statutory	Current & Next Financial Year

Filtered for BSE500 companies Source: Capitaline; Compiled by BS Research Bureau

The Reserve Bank of India (RBI) on Tuesday debarred audit firm Haribhakti & Co from undertaking audit assignments in any of the banking and non-banking financial companies (NBFC) for two years starting April 1, 2022, for failing to comply with its direction.

Haribhakti was the auditor of SREI Infrastructure Finance, a listed firm, for 2019-20. The RBI superseded the boards of SIFL and Srei Equipment Finance on October 4 over governance concerns and payment defaults. "This action has been taken on account of the failure on the part of the audit firm to comply with a specific direction issued by the RBI with respect to its statutory audit of a systemically important non-banking financial company," a RBI statement said.

The audit firm, which is also a regular auditor of important banks, has been debarred under section 45MAA of the Reserve Bank of India Act.

The Finance Act 2019, enacted after the fiasco related to IL&FS, gave the RBI sweeping powers over NBFCs. The amendment gave power to the RBI to remove directors, supersede the board, take action against auditors, and frame schemes of arrangement.

Specifically, for auditors of NBFCs, the Section 45MAA says where an auditor fails to comply with any direction or order issued by the RBI under section 45MA, the central bank may remove or debar the auditor from exercising duties as auditor from any RBI-regulated entities, for a maximum period of three years at a time, according to legal firm Shardul Amarchand Mangaldas.

This is the first time that any auditor has been implicated under section 45MAA. Section 45MA of the RBI Act lists the duties of an auditor of an NBFC. It says an auditor of an NBFC would be duty-bound to inquire whether the firm being audited has furnished all the details on its deposits, assets, and liabilities, profit-and-loss account, etc. to the RBI that would form the basis of disclosure related instructions, or even special audit on the firm.

The RBI's communication suggests the audit firm failed to do so, leading to the two-year debarment. However, the action will not affect Haribhakti's assignments for FY22, the RBI said.

The RBI has been tightening its rules on NBFC auditors to improve accountability. On April 27, the RBI said banks and NBFCs, excluding those that don't take deposits and have a sub-₹1,000-crore asset base, must bring in new auditors from the second half of the fiscal year.

Banks and NBFCs, having an asset size of ₹15,000 crore or more, were asked to appoint joint auditors. Crucially, there was a retrospective applicability of the extended eligibility criteria for auditors, including those relating to the provision of audit and non-audit services.