



kaveri seeds®

kaveri seed company limited

Regd. Off: 513 B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad - 500 003.

POSTAL BALLOT FORM

(Pursuant to Section 192A of the Companies Act, 1956)

Notice is hereby given that the proposed Resolution is circulated for approval of the Members of the Company to be accorded by Postal Ballot in accordance with the provision of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 (including any statutory modification or re-enactment thereof for the time being in force).

The Company is engaged in the business of produce all varieties of Seeds and the Company has several seed processing units apart from R&D Centre. As you are aware, at present the Company is carrying on business in two segments ie., Seed Division and Microteck Division, The Microteck division is producing Micronutrient mixtures, Organic Products and Bio-Pesticides. Out of the total turnover of the Company less than 5% is from the Microteck Division and the nature of business activity is also different from seed division.

As a part of restructuring of operations for strengthening and enhancing the scope of business of Microteck Division, the Company is seeking your consent for transfer, assign or otherwise dispose of the Microteck Division to a separate company on a going concern basis together with assets and liabilities, as contained in the draft Ordinary Resolution which is appended here below.

Pursuant to Section 293(1) (a) of the Companies Act, 1956, the Board of Directors cannot, except with the permission of the shareholders, for sell, transfer, assign or otherwise dispose of the Microteck Division to Kaveri Microteck Private Limited, which is a 100% Subsidiary of the Company by way resolution passed through Postal Ballot under Section 192A of the Companies Act, 1956.

The proposed resolutions and Explanatory Statement stating material facts and the reasons for the said proposal and a Postal Ballot form is enclosed for your consideration. The Company has appointed Mr. L.Dhanamjay Reddy, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot process.

Please read carefully the instructions printed in the Postal Ballot form and return the form duly completed in all respects in the enclosed self addressed pre-paid postage envelope so as to reach the Scrutinizer/Company before the close of working hours on or before 24th July 2013.

The Scrutinizer will submit his report to the Chairman and Managing Director of the Company after completion of the scrutiny. The result of the voting by Postal Ballot will be announced to the Stock Exchanges on 26th July 2013

To approve and consent for Transfer of Microteck Division to Kaveri Microteck Private Limited, which is 100 % subsidiary of the company:

To consider and if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of the Section 293 (1) (a) and other applicable provisions: if any, of the Companies Act, 1956 and subject to such other permissions, approvals if any, as may be required from the necessary statutory authorities, the consent of the members be and is hereby accorded to the Board of Directors to sell, lease, transfer, assign or otherwise dispose of the Microteck Division of the Company to M/s. Kaveri Microteck Private Limited, which is 100% Subsidiary of the Company, together with all its assets and liabilities, licenses, brands, permits, consents and approvals whatsoever, for such consideration at Book Value of Rs.14,52,63,600/- as per Audited Balance Sheet as at 31st March 2013 and to receive the consideration by way of allotment of 1,45,26,360 Equity Shares of Rs.10/- each at par value to the Company by the Kaveri Microteck Private Limited against such transfer of division and the Board be and is hereby authorized to complete the transaction with such modifications as may be required and to do all such acts, matters, deeds and things as may be necessary, consequential, ancillary thereto to for the purpose of giving effect to the above said resolution."

RESOLVED FURTHER that the Board of Directors of the Company ("the Board", which expression shall also include a Committee thereof) be and are hereby authorized to sign, and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary of the Company".

By order of the Board

For KAVERI SEED COMPANY LIMITED

Sd/-

1. The resolution is annexed hereto along with a Postal Ballot Form for consideration of the members.
2. As per the provisions of Section 192A of the Companies (Amendment) Act, 2000 and Companies (Passing of Resolution by Postal Ballot) Rules, 2001 business as mentioned in the aforesaid notice are to be conducted by means of Postal Ballot.
3. The Board of Directors has appointed Mr. L.Dhanamjay Reddy, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot voting Process in a fair and transparent manner. He will continue to act as such, till the submission of the final report i.e., 26th July 2013.
4. The members desiring to exercise vote by postal ballot may complete the enclosed postal ballot form to give their consent/dissent and send it in the enclosed self addressed, postage pre-paid business reply envelope. The envelope containing the postal ballot should reach the Scrutinizer not later than the close of working hours (17.00 hours) on 24th July 2013.
5. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
6. The member may request for the duplicate postal ballot form, if so required. However, duly filled form should reach the Scrutinizer not later than the date specified at item No.4
7. The Scrutinizer's decision on the validity of the Postal Ballot Form will be final.
8. The result of the Postal Ballot should be announced by the Chairman, or in his absence any other person authorized by the Chairman, on 26th July 2013 at the Registered Office of the Company and the resolution shall be passed effectively on the announcement of the result, if the results of the postal ballot indicates that the requisite majority of the shareholders had assented to the respective resolution.
9. Shareholders are requested to read the instructions printed on the back of the Postal Ballot Form before exercising their vote.
10. The Result will also be communicated to the Stock Exchanges (BSE & NSE) where the shares of the company are listed, and subsequently published in the newspapers. The results of the Postal Ballot will also be noted at the next general meeting of the company.
11. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during the office hours on all working days between 11.00 hours to 17.00 hours up to 24th July 2013.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

The Company is engaged in the business of produce all varieties of Seeds and the Company has several seed processing units apart from R&D Centre. As you are aware, at present the Company is carrying on business in two segments i.e., Seed Division and Microteck Division. The Microteck division is producing Micronutrient mixtures, Organic Products and Bio-Pesticides. Out of the total turnover of the Company less than 5% is from the Microteck Division and the nature of business activity is also different from Seed Division.

As a part of restructuring of operations for strengthening and enhancing the scope of the business of Microteck Division and to focus more attention on the said division, the Company proposed to transfer/dispose of the Microteck Division to M/s. Kaveri Microteck Private Limited, which is a 100% Subsidiary of the Company, together with all its assets & liabilities, licenses, brands, permits, consents and approvals whatsoever as on 31st March 2013, for such consideration at Book Value of Rs.14,52,63,600/- as per Audited Balance Sheet as at 31st March 2013 and to receive the said consideration by way of allotment of 1,45,26,360 Equity Shares of Rs.10/- each at par value to Kaveri Seed Company Limited by the above said 100% Subsidiary Company i.e., M/s. Kaveri Microteck Private Limited. With effect from 01st April 2013 the Microteck Division shall become part of Kaveri Microteck Private Limited.

The Microteck Division is having a Gross Block Value of Rs.307.16 Lakhs and Net Block value of Rs.184.53 Lakhs as on 31st March 2013 which is 1.72% of Gross Block and 1.35% of Net Block of Total Consolidated Fixed Assets of the Company. The Turnover of Microteck Division is Rs.2483.55 Lakhs i.e. 3.49% of Total Turnover of the Company and the net profit after tax of Rs.432.91 Lakhs. The Audited Balance Sheet as on 31st March 2013 is available for inspection at the registered office of the company.

According to Sec.192A of the Companies Act, 1956 read with the clause 4 of the Companies (passing of resolution by postal ballot) Rules, 2001, any proposal to sale, transfer, disposal the whole or substantially whole of an undertaking has to be approved by the shareholders of the Company by way of a postal ballot. The Board of Directors of the Company, accordingly commends the resolution for approval by the members as an Ordinary Resolution.

The Directors of the Company may be deemed to be concerned or interested in the Resolution as set out in the Notice to the extent of their shareholding in the Company.

By order of the Board
For KAVERI SEED COMPANY LIMITED

Sd/-

G.V. BHASKAR RAO
MANAGING DIRECTOR

Date: 23.05.2013

Place: Secunderabad



kaveri seed company limited

Regd. Off: 513 B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad - 500 003.

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POSTAL BALLOT FORM

1. Name(s) of the shareholder(s)
including Joint holder(s) if any

2. Registered Address of the Sole/
First Named shareholder

3. Registered Folio No./
DPID No./Client ID No.*

4. No. of Shares held

5. I/We hereby exercise my/our vote in respect of the following resolution(s) to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/our assent or dissent to the said resolution(s) by placing tick () mark at the appropriate box below.

Description of Resolution	No. of Shares	I/we assent to the resolution (for)	I/We dissent to the resolution (against)
Ordinary Resolution under Section 293(1) (a) of the Companies Act, 1956 with regard to sale/transfer of Microteck Division to Kaveri Microteck Private Limited, which is a 100% Subsidiary of the Company.			

Place:

Date:

INSTRUCTIONS

1. A member desiring to exercise vote through Postal Ballot Form shall send the Form to the Company in the enclosed self-addressed envelope. Postage will be born and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier at the expense of the Registered Shareholder will also be accepted.
2. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
3. The consent or dissent may be recorded by placing a tick mark () in the prescribed column for assent and dissent given in the Postal Ballot Form.
4. Unsigned/Unticked Postal Ballot Forms will be rejected.
5. Duly completed Postal Ballot Form should reach the Company not later than the close of working hours on Wednesday the 24th day of July 2013. All Postal Ballot Forms received after this date will be strictly treated as invalid, or if reply from such shareholder has not been received. Facility of voting thorough electronic mode is not being provided by the company.
6. In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority.
7. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope. All envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
8. Members are requested to fill the Postal Ballot Form in the indelible ink (and avoid filling if by using erasable writing, medium/s like pencil).
9. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders on the date of dispatch of the Notice.
10. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of Joint Holders.
11. The Scrutinizer's decision on the validity of the Postal Ballot will be final.