

## 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/beneficial owners of Equity Shares of Glance Finance Limited (“Company”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended (“Buyback Regulations”). If you require any clarification about the action to be taken, you may consult your stock broker or your investment consultant or the Manager to the Buyback i.e. Master Capital Services Limited or the Registrar to the Buyback i.e. Link Intime India Private Limited. Please refer to the section on “Definition of Key Terms” for the definition of the capitalized terms used herein.



#### GLANCE FINANCE LIMITED

**Registered Office:** 5, Kitab Mahal, 192, Dr. D. N. Road, Fort, Mumbai - 400 001;  
**Tel. No.:** +91 22 4066 6673/ +91 22 4066 6674; **Fax No.:** + 91 22 4066 6670; **Email:** glance@glancefin.com;  
**Corporate Identity Number (CIN):** L65920MH1994PLC081333; **Website:** www.glancefinance.com;  
**Contact Person:** Mr. Dewang Doshi - Manager

**Cash offer for Buyback up to 7,50,000 (Seven Lakh Fifty Thousand) fully paid-up equity shares of face value of ₹ 10/- each representing 24.95% of the outstanding equity shares of the Company as on March 31, 2018, from all the eligible shareholders/beneficiary owners of equity shares of the Company as on the record date i.e. Friday, April 26, 2019 on a proportionate basis through the “Tender Offer” through stock exchange mechanism at a price of ₹ 50/- (Rupees Fifty only) per equity share for an aggregate amount of upto ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only).**

1. The Buyback is in accordance with Section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 as amended and the Companies (Share Capital and Debentures) Rules, 2014 (“Share Capital Rules”), the Companies (Management and Administration) Rules, 2014 (“Management Rules”), Buyback Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable and in accordance with Article 61 of the Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, Stock Exchange, Reserve Bank of India (“RBI”), etc.
2. The Buyback Size which is not exceeding ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) represents 24.48% of the total paid-up equity share capital and free reserves (including securities premium) as per the latest audited financials of the Company for the financial year ended March 31, 2018 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 audited accounts of the Company for the financial year ended March 31, 2018.
3. The Letter of Offer will be sent to the Eligible Shareholders as on record date i.e. Friday, April 26, 2019.
4. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (“Tender Form”) is enclosed together with the Letter of Offer.
5. For mode of payment of cash consideration to the Eligible Shareholders, please refer to paragraph 20.28 of this Letter of Offer.
6. A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer (including the Tender Form) shall also be available on the website of SEBI, i.e. www.sebi.gov.in and on Company’s website at www.glancefinance.com.
7. Eligible Shareholders are advised to refer to Paragraph 17 (*Details of the Statutory Approvals*) and Paragraph 21 (*Note on Taxation*) of this Letter of Offer, before tendering their Equity Shares in the Buyback.

#### MANAGER TO THE BUYBACK

#### REGISTRAR TO THE BUYBACK



**Master Capital Services Limited**  
SCO 22-23, Sector 9D, Madhya Marg, Chandigarh -160 009;  
**Contact Person:** Mr. Jaspal Rawat / Mr. Sanchit Agarwal;  
**Tel. No.:** +91 172 484 8000; **Fax No.:** +91 172 274 5865;  
**Email:** glancebuyback@mastertrust.co.in;  
**Website:** www.mastertrust.co.in;  
**Investor Grievance E-mail:** mbd@mastertrust.co.in  
**SEBI Registration No:** INM000000107;  
**Validity:** Permanent Registration;  
**CIN:** U67190HR1994PLC076366.



**Link Intime India Private Limited**  
C-101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West),  
Mumbai - 400 083;  
**Contact Person:** Mr. Sumeet Deshpande  
**Tel. No.:** +91 22 4918 6200; **Fax:** +91 22 4918 6195;  
**Email:** glance.buyback@linkintime.co.in;  
**Website:** www.linkintime.co.in;  
**SEBI Registration Number:** INR000004058;  
**Validity:** Permanent Registration;  
**CIN:** U67190MH1999PTC118368.

**BUYBACK OPENS ON:** MONDAY, JUNE 10, 2019

**BUYBACK CLOSURES ON:** FRIDAY, JUNE 21, 2019

**LAST DATE / TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK: BY 05:00 P.M. ON MONDAY, JUNE 24, 2019**

## TABLE OF CONTENTS

1. SCHEDULE OF ACTIVITIES OF THE BUYBACK OFFER .....	3
2. DEFINITION OF KEY TERMS .....	4
3. DISCLAIMER CLAUSE.....	7
4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING.....	8
5. DETAILS OF THE PUBLIC ANNOUNCEMENT .....	12
6. DETAILS OF THE BUYBACK.....	13
7. AUTHORITY FOR THE BUYBACK .....	14
8. NECESSITY OF THE BUYBACK.....	15
9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY .....	15
10. BASIS OF CALCULATING THE BUYBACK PRICE .....	17
11. SOURCES OF FUNDS FOR THE BUYBACK .....	18
12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN.....	18
13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN.....	19
14. BRIEF INFORMATION ABOUT THE COMPANY .....	20
15. FINANCIAL INFORMATION ABOUT THE COMPANY.....	21
16. STOCK MARKET DATA.....	22
17. DETAILS OF THE STATUTORY APPROVALS .....	23
18. DETAILS OF THE REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE .....	24
19. PROCESS AND METHODOLOGY FOR THE BUYBACK.....	24
20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT .....	29
21. NOTE ON TAXATION.....	38
22. DECLARATION BY THE BOARD OF DIRECTORS.....	43
23. AUDITORS CERTIFICATE .....	44
24. MATERIAL DOCUMENTS FOR INSPECTION .....	46
25. DETAILS OF THE COMPLIANCE OFFICER.....	47
26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SHAREHOLDERS .....	47
27. DETAILS OF INVESTOR SERVICE CENTRE .....	47
28. MANAGER TO THE BUYBACK.....	48
29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER .....	48

**1. SCHEDULE OF ACTIVITIES OF THE BUYBACK OFFER**

<b>Activity</b>	<b>Day and Date</b>
Date of the board meeting approving the proposal for Buyback of Equity Shares	Wednesday, February 13, 2019
Date on which the results of the postal ballot through which the Equity Shareholders approved the Buyback was declared	Saturday, April 6, 2019
Date of Public Announcement	Monday, April 8, 2019
Date of publication of Public Announcement for the Buyback	Tuesday, April 9, 2019
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Friday, April 26, 2019
Buyback opens on/ Buyback Opening Date	Monday, June 10, 2019
Buyback closes on/ Buyback Closing Date	Friday, June 21, 2019
Last date of receipt of completed Tender Forms and other specified documents by the Registrar to the Buyback	Monday, June 24, 2019
Last date of verification of Tender Forms by Registrar to Buyback	Monday, July 1, 2019
Last date of intimation to the Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar to the Buyback	Monday, July 1, 2019
Last date of settlement of bids on the Stock Exchange	Tuesday, July 2, 2019
Last date of dispatch of unaccepted share certificate(s) by Registrar to the Buyback/ payment to the shareholder / return of unaccepted demat shares by Stock Exchange to Seller Member/ Eligible Shareholders	Tuesday, July 2, 2019
Last date of extinguishment of Equity Shares bought back	Tuesday, July 9, 2019

*Note: Where last dates are mentioned for certain activities, such activities 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, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies 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 Buyback Regulations, the Companies Act, 2013 and the Depositories Act, and the rules and regulations made thereunder.*

*References to “Rupees”, “₹” and “Rs.” are in references to lawful currency of the Republic of India.*

<b>Term</b>	<b>Description</b>
<b>Acceptance/Accept/ Accepted</b>	Acceptance of Equity Shares tendered by Eligible Shareholders in the Buyback.
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through mechanism provided by the designated stock exchange i.e. BSE Limited in the form of a separate window in accordance with SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017.
<b>Act/Companies Act</b>	The Companies Act, 1956 as amended (to the extent applicable)/ Companies Act, 2013 as amended (To the extent notified).
<b>Additional Shares/ Additional Equity Shares</b>	Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder such that the total number of Equity Shares tendered do not exceed the Equity Shares held on the Record Date by such Eligible Shareholder.
<b>Articles/AOA</b>	Articles of Association of the Company, as amended from time to time
<b>Board /Board of Directors/ Director(s)</b>	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized ‘Committee / Buyback Committee’ thereof).
<b>Board Meeting</b>	Wednesday, February 13, 2019.
<b>BSE/ Stock Exchange</b>	BSE Limited (being the stock exchange where the Equity Shares of the Company are listed).
<b>Buyback/ Buyback Offer/ Offer/ Buyback Offer Size</b>	Buyback up to 7,50,000 (Seven Lakh Fifty Thousand) fully paid-up Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each at a price of ₹ 50 (Rupees Fifty only) per Equity Share (including premium of ₹ 40/- per Equity Share) payable in cash for an aggregate amount of up to ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh Only) from Eligible Shareholders on a proportionate basis by way of tender offer through the stock exchange mechanism in terms of the Buyback Regulations and the SEBI Circulars.
<b>Buyback closes on / Buyback Closing Date</b>	Friday, June 21, 2019
<b>Buyback Committee/ Committee</b>	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated February 13, 2019.
<b>Buyback Entitlement</b>	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, based on the number of Equity Shares held by that Eligible Shareholder on the Record Date in the Ratio of Buyback as applicable in the category, to which such Eligible Shareholder belongs.
<b>Buyback opens on / Buyback Opening Date</b>	Monday, June 10, 2019
<b>Buyback Period</b>	The period between the date of declaration of results of postal ballot i.e. Saturday, April 6, 2019 and the date on which the payment of consideration to the shareholders who have accepted the Buyback Offer will be made.
<b>Buyback Price/ Offer price</b>	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 50/- (Rupees Fifty only) per Equity Share, payable in cash

<b>Term</b>	<b>Description</b>
<b>Buyback Regulations</b>	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.
<b>CDSL</b>	Central Depository Services (India) Limited.
<b>Clearing Corporation</b>	Indian Clearing Corporation Limited.
<b>Company</b>	Glance Finance Limited.
<b>Companies Act, 1956</b>	The Companies Act, 1956, as amended (to the extent applicable).
<b>Companies Act, 2013</b>	The Companies Act, 2013, as amended (to the extent notified).
<b>Company's Broker</b>	Master Capital Services Limited.
<b>Compliance Officer</b>	Mr. Dewang Doshi (for the purpose of Buyback)
<b>Depositories</b>	Collectively, NSDL and CDSL.
<b>Designated Stock Exchange</b>	BSE Limited.
<b>DIN</b>	Director Identification Number.
<b>DP</b>	Depository Participant.
<b>Draft Letter of Offer / DLOF</b>	The Draft Letter of Offer dated April 16, 2019 filed with SEBI.
<b>DTAA</b>	Double Taxation Avoidance Agreement.
<b>Eligible Shareholder(s)/ Shareholders</b>	All Equity Shareholders holding Equity Shares as on the Record Date being Friday, April 26, 2019 and who are eligible to participate in the Buyback in terms of this LOF.
<b>Equity Shares/ Shares</b>	Fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten Only) each of the Company.
<b>Equity Shareholders/ Shareholders</b>	Holders of the Equity Shares and includes beneficial owners thereof.
<b>Escrow Account</b>	The Escrow Account titled "Glance Finance Limited Buyback Escrow Account" to be opened with Escrow Agent in terms of the Escrow Agreement (as defined below).
<b>Escrow Agent</b>	IndusInd Bank Limited
<b>Escrow Agreement</b>	The escrow agreement dated May 2, 2019 entered into between the Company, Escrow Agent and Manager to the Buyback.
<b>FDI</b>	Foreign Direct Investment.
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended.
<b>Financial Year, Fiscal/ FY</b>	Period of 12 months ended March 31 of that particular year.
<b>FPI(s)</b>	Foreign Portfolio Investor(s).
<b>General Category</b>	Category of Eligible Shareholder(s) other than the Small Shareholders.
<b>HUF</b>	Hindu Undivided Family.
<b>IT Act/ Income Tax Act</b>	Income Tax Act, 1961, as amended from time to time.
<b>KYC</b>	Know Your Customer.
<b>Letter of Offer/ LOF</b>	The letter of offer dated May 29, 2019 to be filed with SEBI containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the DLOF.
<b>LTCG</b>	Long-term Capital Gains.
<b>Manager to the Buyback/ Manager</b>	Master Capital Services Limited.
<b>MOA</b>	Memorandum of Association of the Company.
<b>Non-Resident Shareholders</b>	Equity Shareholders other than resident Equity Shareholders including Non-Resident persons and bodies, Foreign Portfolio Investors (FPI), erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals.
<b>Non-Resident Indians/ NRI</b>	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the meaning as prescribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.
<b>NSDL</b>	National Securities Depository Limited.
<b>OCB</b>	Overseas Corporate Bodies.
<b>Offer Period/ Tendering Period</b>	Period of 10 Working Days from the Buyback Opening Date i.e. June 10, 2019 till Buyback Closing Date i.e. June 21, 2019 (both days inclusive).
<b>PAN</b>	Permanent Account Number.

<b>Term</b>	<b>Description</b>
<b>Postal Ballot Notice/ Notice</b>	Postal ballot notice dated February 13, 2019 through which the Equity Shareholders of the Company approved the Buyback, results of which were announced on April 6, 2019.
<b>Promoter and Promoter Group</b>	Promoter and promoter group including person in control are collectively referred to as Promoter and Promoter Group namely Tushar G Agarwal, Reena Tushar Agarwal, Narendra Karnavat, Sushila Gopal Krishna Agarwal, Jyoti Manish Agarwal, Ashish Commercials LLP, Bhadrasila Ventures LLP, Chitrakut Ventures LLP.
<b>Public Announcement/ PA</b>	Public announcement dated Monday, April 8, 2019 in relation to the Buyback made by the Company which was published on Tuesday, April 9, 2019 in Financial Express (English national daily - All Edition), Jansatta (Hindi national daily - All Edition and Mumbai Lakshadeep (Regional language daily - Marathi Edition, Marathi being the regional language of Mumbai wherein the registered office of the Company is located).
<b>Ratio of Buyback</b>	The ratio of the Buyback for the Equity Shares held by Eligible Shareholders as on Record Date: (i) in case of Small Shareholders, 4 Equity Shares for every 13 Equity Shares; and (ii) in case of Eligible Shareholders other than Small Shareholders, 233 Equity Shares for every 965 Equity Shares.
<b>RBI</b>	Reserve Bank of India.
<b>Record Date</b>	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback in accordance with the Buyback Regulations. The Record Date for the Buyback shall be Friday, April 26, 2019.
<b>Registrar to the Buyback/ Registrar</b>	Link Intime India Private Limited.
<b>Reserved Category</b>	Category of the Small Shareholders eligible to tender Equity Shares in the Buyback.
<b>SEBI</b>	Securities and Exchange Board of India.
<b>SEBI Circular</b>	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in circular bearing no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time.
<b>SEBI Listing Regulations</b>	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
<b>SEBI Takeover Regulation</b>	Securities and Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 2011, as amended.
<b>Seller Member</b>	A stock broker (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder may participate in the Buyback.
<b>Small Shareholder</b>	An Eligible Shareholder who holds Equity Shares of market value not more than ₹ 2,00,000/- (Rupees Two Lakh Only) on the basis of closing price on the Stock Exchange registering the highest trading volume on the Record Date.
<b>STCG</b>	Short-term Capital Gains.
<b>Tender Form/ Form</b>	Form of Acceptance-cum-Acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholders to participate in the Buyback.
<b>Tender Offer</b>	Method of Buyback as defined in Regulation 2(1)(q) read of the Buyback Regulations using stock exchange mechanism.
<b>Transaction Cost</b>	Brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses.
<b>TRS</b>	Transaction Registration Slip.
<b>U.S.</b>	United States / United States of America.
<b>Working Day(s)</b>	Any working day of SEBI.

### 3. DISCLAIMER CLAUSE

3.1. As required, a copy of the Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of the Draft Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in the Draft Letter of Offer. The Manager to the Buyback, i.e. Master Capital Services Limited, has certified that the disclosures made in the Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Act and Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

3.2. It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Draft Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards the purpose. The Manager to the Buyback, has furnished to SEBI a Due Diligence Certificate dated April 16, 2019 in accordance with Buyback Regulations, which reads as follows:

*“We have examined various documents and materials relevant to the Buyback, as part of the due diligence carried out by us in connection with the finalization of the Public Announcement and the Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:*

- *the Public Announcement and the DLOF are in conformity with the documents, materials and papers relevant to the Buyback;*
- *all the legal requirements connected with the said Buyback including the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended, have been duly complied with;*
- *the disclosures in the Public Announcement and the DLOF are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback;*
- *funds used for Buyback shall be as per the provisions of the Companies Act, 2013 to the extent applicable.”*

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

3.4. The Promoter and Promoter Group and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Shareholders 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 Promoter and Promoter Group and Directors and the Company shall be liable for penalty in terms of the provisions of the Act, Buyback Regulations and other applicable laws and regulations.

3.5. The Promoter and Promoter Group and Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

3.6. **NO OFFER TO SUBSCRIBE/ PURCHASE/ SELL, OR AN INVITATION TO SUBSCRIBE/ PURCHASE/ SELL, ANY SECURITIES OF THE COMPANY OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE/ PURCHASE/ SELL ANY SECURITIES OF THE COMPANY INCLUDING THE EQUITY SHARES IS MADE IN A JURISDICTION, OTHER THAN INDIA, WHERE IT IS ILLEGAL, OR ANY ACTION OR APPROVAL IS REQUIRED, TO MAKE THIS BUYBACK**

- a) The Public Announcement that was published on Tuesday, April 9, 2019 in all editions of Financial Express (English), Mumbai Lakshadeep (Marathi, regional edition, Marathi being the regional language of Mumbai wherein the registered office of the Company is located) and Jansatta (Hindi)

all editions and this Letter of Offer in connection with this Buyback, has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended from time to time. 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 the Letter of Offer.

- b) No action has been or will be taken by the Company or Manager to the Buyback to permit the Buyback in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all the Equity Shareholders whose names appear in the register of members of the Company, on the Record Date. However, receipt of the Letter of Offer by any Eligible Shareholder in a jurisdiction in which it would be illegal to make this Buyback, or where making this Buyback would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws of any jurisdiction outside of India), shall not be treated by such Eligible Shareholder as an offer or invitation to offer being made to them and shall be construed by them as being sent for information purposes only.
- c) Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback 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.

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

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on Wednesday, February 13, 2019. The extracts of the Board resolutions are as follows:

**“RESOLVED THAT** pursuant to the Article 61 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (**“Companies Act”**), the Companies (Share Capital and Debenture) Rules, 2014, made thereunder, and in compliance with Securities and Exchange Board of India (**Buy-Back of Securities**) Regulations, 2018, as amended (**“Buyback Regulations”**) and other applicable laws, if any, including any amendments, statutory modifications or re-enactments for the time being in force and subject to all such approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Ministry of Corporate Affairs/ Registrar of Companies, (**“ROC”**) and/ or other authorities, institutions or bodies (**“Appropriate Authorities”**) as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed while granting such approvals, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression shall be deemed to include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and subject to the approval by the shareholders by way of a special resolution by postal ballot including electronic voting, the Board hereby consents and approves the buyback of 7,50,000 (Seven Lakh Fifty Thousands) fully paid-up equity shares of face value of ₹10/- each of the Company (**“Equity Shares”**) representing 24.95% of the outstanding equity shares of the Company at a maximum price of ₹ 50/- (Rupees Fifty only) per equity share (**“Buyback Price”**) (including a premium of ₹ 40/- per equity share) payable in cash for an aggregate amount of up to ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakhs only) (excluding Company’s transaction cost viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses) (**“Buyback Size”**), which is 24.48% of the fully paid-up equity share capital and free reserves (including securities premium) as per the latest audited financials of the Company for the financial year ended March 31, 2018, which is not exceeding 25% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2018, through the **“Tender Offer”** method as prescribed under the Buyback Regulations on a proportionate basis, from all the existing shareholders/beneficiary owners, including the promoter and promoter group, holding fully paid-up equity shares of the Company as on the record date to be subsequently decided by the Board (**“Buyback”**).



**RESOLVED FURTHER THAT** the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (“SEBI”), fees and charges payable to BSE Limited (“Stock Exchange”), public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

**RESOLVED FURTHER THAT** all of the equity shareholders / beneficial owners of the Company who hold Equity Shares as on the Record Date as decided subsequently by the Board will be eligible to participate in the Buyback including promoters and promoter group of the Company including person in control to the extent intended as per the letter of intention received from the promoters and promoter group including person in control.

**RESOLVED FURTHER THAT** such Buyback may be made out of the Company’s free reserves and / or the securities premium account/ or such other sources as may be permitted by the Buyback Regulations and the Companies Act through “Tender Offer” route and as required, the Company may buyback equity shares from all the existing members holding equity shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders, as prescribed in the Buyback Regulations.

**RESOLVED FURTHER THAT** the Company shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and such other circulars or notifications as may be issued by from time to time.

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

**RESOLVED FURTHER THAT** the proposed Buyback be implemented from the existing shareholders of the Company as disclosed under the shareholding pattern filings made by the Company from time to time under Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 (“SEBI SAST Regulations”), as amended as the Board may consider appropriate on the record date. The funds for the implementation for the proposed Buyback will be sourced out of the free reserves (share premium, general reserve and retained earnings etc.) and/or such other sources as may be permitted by the Buyback Regulations or the Act, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

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

**RESOLVED FURTHER THAT** the Board hereby takes on record the auditor report dated February 13, 2019 issued by M/s. Amar Bafna and Associates, Chartered Accountants, the Statutory Auditor of the Company, as required under clause (xi) Schedule I of the (Buyback) Regulations and placed before the Board for its noting;

**RESOLVED FURTHER THAT** in terms of Regulation 24(iii) of the Buyback Regulations, Mr. Dewang Doshi, Manager, be and is hereby severally appointed as the Compliance Officer for the Buyback.

**RESOLVED FURTHER THAT** draft of the Declaration of Solvency along with annexures including statement of assets and liabilities as at March 31, 2018 prepared in the prescribed form and supporting affidavit and other documents in terms of Section 68(6) of the Act and Regulation 8(i)(b) of the Buyback Regulations, as, placed before the meeting be and are hereby considered and approved and Narendra Karnavat – Director and Milind Gandhi – Director, be and are hereby authorized to sign the same, for

and on behalf of the Board and file the same with the Registrar of Companies / Ministry of Corporate Affairs, Stock Exchange and the SEBI in accordance with applicable law.

**RESOLVED FURTHER THAT** the Board of Directors hereby confirm that they have made full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed an opinion that:

- a) immediately following the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- b) as regards the Company's prospects for the year immediately following the date of this Board meeting as well as for the year immediately following the date on which the results of the Postal Ballot/ E-voting will be declared approving the Buyback, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared; and
- c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act and the Insolvency and Bankruptcy Code, 2016, including prospective and contingent liabilities."

**RESOLVED FURTHER THAT** the Board hereby confirms that:

- a) the Buyback Size i.e. ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) do not exceed 25% of the paid-up equity share capital and free reserves as per the latest audited financial statements for the year ended March 31, 2018;
- b) the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 7,50,000 (Seven Lakhs Fifty Thousand) Equity Shares, does not exceed 25% of the total number of Equity Shares in the paid-up equity share capital of the Company;
- c) all Equity Shares are fully paid-up;
- d) the Company, as per provisions of Regulation 24(i)(f) of the Buyback Regulations, shall not raise further capital for a period of one year from the expiry of the buyback period, as defined in the Buyback Regulations, except in discharge of its subsisting obligations;
- e) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- f) the Company shall not issue and allot any shares or other specified securities (including ESOPs) including by way of bonus, till the date of expiry of the buyback period, as defined in the Buyback Regulations;
- g) the Company, as per the provisions of Section 68(8) of the Companies Act, the Company will not issue same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of Section 62 or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes (including stock appreciation rights schemes), sweat equity or conversion of preference shares or debentures into equity shares;
- h) the Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and/ or Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;
- i) 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;
- j) the Company shall not buyback its Equity Shares from any person through negotiated deals whether on or off the Stock Exchange or through spot transactions or through any private arrangement in the implementation of the Buyback;
- k) it shall not directly or indirectly purchase its own shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- l) there are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years;

- m) that the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;
- n) the Company shall pay the consideration only by way of cash;
- o) the Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI;
- p) the Company shall not buy-back out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities;
- q) the Company shall not make any offer of buyback within a period of one year reckoned from the date of the buyback period, as defined in the Buyback Regulations;
- r) the Company shall not Buyback its Equity Shares so as to delist its Equity Shares from the Stock Exchange;
- s) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013; and
- t) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder.

**RESOLVED FURTHER THAT** that a committee (“**Buyback Committee**”) be constituted comprising of Mr. Narendra Karnavat, Mr. Milind Gandhi and Mrs. Vandana Vasudeo, for the purposes of the Buyback and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its equity shareholders, including but not limited to:

- a) finalizing the terms of Buyback like the mechanism for the Buyback, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) earmarking and making arrangements for adequate sources of funds for the purposes of the Buyback;
- d) making all applications to the Appropriate Authority for their requisite approvals as may be required;
- e) give information, explanation, declaration and confirmations in relation to the Buyback, as may be required by the Appropriate Authorities;
- f) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- g) preparation, signing and filing of postal ballot notice, public announcement, the draft letter of offer / letter of offer with the SEBI, Registrar of Companies, Stock Exchange and other appropriate authority;
- h) affix the Common Seal of the Company on relevant documents required to be executed for the Buyback of shares in accordance with the provisions of the Articles of Association of the Company;
- i) to make any corrections, amendments, deletions, additions to the public announcement, draft letter of offer /letter of offer and any other advertisement and to give any information, explanation, declarations and confirmations in relation to the public announcement, draft letter of offer /letter of offer and any other advertisement, as may be required by the relevant authorities including SEBI and to file/publish/submit the revised public announcement, draft letter of offer /letter of offer and any other public notice as required by such relevant authorities;
- j) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and / or Board, as required under applicable law;
- k) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- l) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the Company and equity shareholders for the implementation of 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, Registrar of Companies, Stock Exchange, Depositories and/or other appropriate authorities;
- m) obtaining all necessary certificates and reports from Statutory Auditors and other third parties as required under applicable law and to address queries as may arise in relation to the implementation of the Buyback;

- n) dealing with Stock Exchange (including their clearing corporations) 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 pursuant to Tender-Offers under Takeovers, Buy Back and Delisting” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and such other circulars or notifications as may be issued from time to time.;
- o) to sub-delegate all or any of the authorities conferred as above to any officer(s) / authorised representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be suggested by the appropriate authorities or advisors.
- p) to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper;
- q) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback with any authorities involved; and
- r) settle and resolve any queries or difficulties raised by SEBI, Stock Exchange, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback

**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be 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** no information/material likely to have a bearing on the decision of the Investors has been 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 Buyback Regulations.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buyback Committee to Buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** the Company do maintain a register of securities bought back wherein details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying of Equity Shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register.

**RESOLVED FURTHER THAT** any of the Directors of the Company and /or the Company Secretary for the time being, be and are hereby severally authorized to file necessary e-forms with the ROC and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.

**RESOLVED FURTHER THAT** Master Capital Services Limited has been appointed as Manager to the Buyback at such fees and other terms & conditions as mutually agreed with them.

**RESOLVED FURTHER THAT** any of the above Directors or the Company Secretary of the Company, be and are hereby severally authorised to sign and file certified copy of the resolution with the Registrar of Companies, Mumbai, Maharashtra, SEBI, Stock Exchange and any other regulatory authorities as may be required under the Companies Act and Buyback Regulations.

**RESOLVED FURTHER THAT** a copy of the foregoing resolution duly certified by any one of the Directors or the Company Secretary of the Company be furnished to the relevant / appropriate authorities on demand.”

## 5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buyback Regulations, the Company has made the Public Announcement dated April 8, 2019 in relation to the Buyback which was published on April 9, 2019 in the following newspapers:

Name of the Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadweep	Marathi	Regional Edition

(A copy of the Public Announcement is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) and on the website of the Company at [www.glancefinance.com](http://www.glancefinance.com))

The Public Announcement was issued within two (2) working days from the date of the shareholders approving Buyback, by special resolution through postal ballot, the result of which were declared on Saturday, April 6, 2019.

## 6. DETAILS OF THE BUYBACK

- 6.1. The Board of Directors of the Company at their meeting held on Wednesday, February 13, 2019 passed a resolution to buyback equity shares of the Company and sought approval of shareholders, by a special resolution, through Postal Ballot Notice. Through the Postal Ballot Notice dated Wednesday, February 13, 2019, (including e-voting), the shareholders of the Company have approved, by way of special resolution, the results of which were announced on Saturday, April 6, 2019, the Buyback of up to 7,50,000 fully paid-up equity shares of face value of ₹ 10/- each of the Company representing 24.95% of the outstanding equity shares of the Company at a maximum price of ₹ 50/- (Rupees Fifty only) per Equity Share (including a premium of ₹ 40/- per equity share) payable in cash for a maximum aggregate amount of up to ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) (excluding Company's Transaction Cost), which is 24.48% of the total paid-up equity share capital and free reserves (including securities premium) as per the latest audited financials of the Company for the financial year ended March 31, 2018, which is not exceeding 25% of the total paid-up equity share capital and free reserves, through the "Tender offer" method as prescribed under the Buyback Regulations on a proportionate basis, from all the existing shareholders/beneficiary owners, including the promoter and promoter group, holding fully paid-up equity shares of the Company as on the Record Date.
- 6.2. The funds permissible to be deployed for Buyback shall not exceed 25% of fully paid-up equity share capital and free reserves of the Company under the shareholders approval route, as provided under Section 68(2)(c) of the Act. The total paid-up equity share capital and free reserves (including securities premium) as per latest audited balance sheet of the Company for the financial year ended March 31, 2018 is ₹ 15,31,57,815/- (Rupees Fifteen Crore Thirty One Lakh Fifty Seven Thousand Eight Hundred Fifteen only). Accordingly, the maximum amount that can be utilized in the present Buyback is ₹ 3,82,89,454/- (Rupees Three Crore Eighty Two Lakh Eighty Nine Thousand Four Hundred Fifty Four only). The Company proposes to utilize an aggregate amount of up to ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) for the Buyback (excluding Transaction Cost) which is within the maximum amount as aforesaid and it represents 24.48% of the total paid-up equity share capital and free reserves (including share premium) of the Company.
- 6.3. The shareholding of the Promoter and Promoter Group as on Record Date is given below:

Sr. No.	Name of the Promoter and Promoter Group	No. of Equity Shares held	Percentage (%)
1	Tushar G Agarwal	6,92,200	23.03
2	Reena Tushar Agarwal	3,93,000	13.07
3	Narendra Karnavat	50,000	1.66
4	Sushila Gopal Krishna Agarwal	10,000	0.33
5	Jyoti Manish Agarwal	5,000	0.17
6	Ashish Commercials LLP	3,99,000	13.27
7	Bhadrasila Ventures LLP	3,50,000	11.64
8	Chitrakut Ventures LLP	3,50,000	11.64
	<b>Total</b>	<b>22,49,200</b>	<b>74.83</b>

- 6.4. As on Record Date, none of the partners of the LLP's forming part of Promoter and Promoter Group hold any Equity Shares in the Company except the following:

Name of the Partner	No. of Equity Shares held	Percentage (%)
<b>Ashish Commercials LLP</b>		
Narendra Karnavat	50,000	1.66
<b>Bhadrasila Ventures LLP</b>		
Narendra Karnavat	50,000	1.66
<b>Chitrakut Ventures LLP</b>		
Narendra Karnavat	50,000	1.66

- 6.5. As on Record Date, the shareholding of the Directors and Key Managerial Personnel is given below:

Sr. No.	Name of the Director	No. of Equity Shares held	Percentage (%)
1.	Vandana Girindrachandra Vasudeo	3,218	0.11
2.	Narendra Karnavat	50,000	1.66
<b>Total</b>		<b>53,218</b>	<b>1.77</b>

None of the key managerial person and other directors except mentioned above holds any equity shares in the Company.

- 6.6. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Promoter Group have the option to participate in the Buyback. In this regard, Promoter and Promoter Group have expressed their intention vide their letters dated February 12, 2019 to participate in the Buyback and offer up to an aggregate maximum number of 11,00,200 Equity Shares which has been detailed in paragraph 9.3 and 9.4 of this LOF. The Promoter and Promoter Group of the Company are already having control over the affairs of the Company and therefore any further increase in voting rights of the Promoter and Promoter Group, if any, consequent to Buyback of Equity Shares, will not result in any change in control over the affairs of the Company and shall be in compliance with the provisions of Takeover Regulations.
- 6.7. The pre Buyback shareholding as on Record Date, of Promoter and Promoter Group of the Company is 74.83% of the fully paid-up equity share of the Company and assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion of their respective Buyback Entitlement, post-Buyback shareholding of Promoter and Promoter Group of the Company will be 75.63% of the total number of outstanding equity shares of the Company. For details with respect to aggregate shareholding of Promoter and Promoter Group post-Buyback please refer paragraph 13.4 of this LOF.
- 6.8. Pursuant to the proposed Buyback and depending upon the response of the Buyback the voting rights of the Promoter and Promoter Group in the Company may increase / decrease over the existing holding of 74.83% of the outstanding equity shares of the Company. The Promoter and Promoter Group has undertaken that in case there is an increase in the voting rights of the Promoter and Promoter Group over 75%, necessary steps will be taken to reduce the shareholding of the Promoter and Promoter Group in accordance with the provisions contain in the Rule 19A(1) of the Securities Contract (Regulation) Rules, 1957, as amended so that the Company is in due compliance with the minimum public shareholding requirement.
- 6.9. As on date there are no any directions subsisting or proceedings pending against the Company, Manager and Registrar to the Buyback Offer under SEBI Act, 1992 and regulations made thereunder.

## 7. AUTHORITY FOR THE BUYBACK

- 7.1. The Buyback is being undertaken by the Company in accordance with the provisions of Article 61 of Articles of Association of the Company and Section 68, 69 and 70 and all other applicable provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable and in compliance with the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or committee authorized by the Board in this regard.
- 7.2. The Buyback is subject to approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI and BSE.

- 7.3. The Board at its meeting held on February 13, 2019 passed resolution(s) approving the Buyback of Equity Shares of the Company and sought approval of Shareholders, by a special resolution, through postal ballot notice, since the Buyback Size is more than 10% (Ten percent) of the total paid-up equity share capital and free reserves (including securities premium) of the Company under the Shareholder's approval route, as provided under the proviso to Section 68(2)(b) of the Act. The result of the postal ballot including e-voting was announced on Saturday, April 6, 2019. The Shareholders have approved the proposal of Buyback of Equity shares of the Company through postal ballot including e-voting.

## 8. NECESSITY OF THE BUYBACK

The Buyback proposal aims to effectively utilize surplus cash by rewarding the shareholders. The Buyback of equity shares will result in reduction of paid up equity share capital which may be accompanied by likely increase in Return on Capital Employed. The Company believes that the Buyback may create long term value for the shareholders. The Buyback through "Tender Offer" method as specified under the Buyback Regulations gives an option to existing shareholders to either receive the surplus cash by participating in the Buyback or remain invested and enjoy percentage increase in the shareholding in the post Buyback capital without any additional investments.

The Buyback through "Tender Offer", inter-alia, offers the following advantages:

- The Buyback helps the Company to distribute surplus cash to its shareholders in proportion to their shareholding;
- The Buyback involves allocation of 15% reservation to small shareholders subject to their entitlement. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as a "small shareholder";
- The Buyback may help in improving financial ratios such as Earnings per share, return on equity, by reducing the equity base of the Company. It will also lead to long term increase in shareholder's value;
- The Buyback gives an option to the existing shareholders to either participate in the Buyback and receive cash in lieu of equity shares accepted under the Buyback or not participate in the Buyback and enjoy a resultant increase in their percentage shareholding in the Company post the Buyback.

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

- 9.1. The Buyback is not likely to cause any material impact on the profitability / 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 that the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion of their respective Buyback Entitlement, the funds deployed by the Company towards the Buyback would not be exceeding ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh Only) excluding Transaction Costs.
- 9.2. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Promoter Group have the option to participate in the Buyback. In this regard, Promoter and Promoter Group vide their letters dated February 12, 2019 have expressed their intention to tender Equity Shares in the Buyback.
- 9.3. The maximum number of Equity Shares to be tendered by the Promoter and Promoter Group who have expressed their intention to tender Equity Shares in the Buyback is as under:

Sr. No.	Name of the Promoter and Promoter Group	Maximum no. of equity shares which may be tendered
1	Tushar G Agarwal	6,92,200
2	Reena Tushar Agarwal	3,93,000
3	Sushila Gopal Krishna Agarwal	10,000
4	Jyoti Manish Agarwal	5,000
<b>Total</b>		<b>11,00,200</b>

- 9.4. Details of the date and price of the equity shares allotted/ acquired/ credited/ transferred/ transmitted to the Promoter and Promoter Group intend to be tendered are set-out below:

a) **Tushar G Agarwal**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Total Consideration (₹)
March 10,1995	Off market purchase	25,000	10	10.00	2,50,000
October 7, 2002	Off market purchase	200	10	9.78	1,955
February 21, 2004	Off market purchase	3,99,000	10	1.03	4,10,970
January 6, 2017	Gift from father	1,40,000	10	Nil	Nil
June 7, 2017	Gift from father	1,28,000	10	Nil	Nil
<b>Total</b>		<b>6,92,200</b>			<b>6,62,925</b>

b) **Reena Tushar Agarwal**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Total Consideration (₹)
March 10,1995	Off market purchase	8,000	10	10.00	80,000
February 21, 2004	Off market purchase	3,85,000	10	1.03	3,96,550
<b>Total</b>		<b>3,93,000</b>			<b>4,76,550</b>

c) **Sushila Gopal Krishna Agarwal**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Total Consideration (₹)
March 10,1995	Off market purchase	10,000	10	10.00	1,00,000
<b>Total</b>		<b>10,000</b>			<b>1,00,000</b>

d) **Jyoti Manish Agarwal**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Total Consideration (₹)
March 10,1995	Off market purchase	5,000	10	10.00	50,000
<b>Total</b>		<b>5,000</b>			<b>50,000</b>

- 9.5. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to 75.63% from 74.83% prior to Buyback i.e. as on Record Date. Please refer to paragraph 13.4 for further details.
- 9.6. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Equity Shareholders other than Promoter and Promoter Group, post the Buyback may decrease to 24.37% from 25.17% prior to Buyback i.e. as on Record Date. Please refer to paragraph 13.4 for further details.
- 9.7. Consequent to the Buyback and depending on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person shall undergo a change. Please refer to paragraph 13.4 for further details.
- 9.8. The debt-equity ratio immediately on completion of Buyback shall be in compliant with the permissible limit of 2:1 prescribed under Section 68 of the Act and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buyback Entitlement.
- 9.9. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for its business operations. The Buyback may help in improving return on



equity and other financial ratios, by a reduction in the equity base, thereby leading to long term increase in shareholder's value.

- 9.10. The Promoter and Promoter Group of the Company shall not deal in the Equity Shares of the Company on Stock Exchange or off market, including by way of inter-se transfer(s) of Equity Shares amongst the Promoter and Promoter Group during the period from the date of passing the board resolution till the closing of the Buyback.
- 9.11. In compliance with regulation 24(i)(b) of the Buyback Regulations, the Company shall not issue any new Equity Shares or other specified securities including by way of bonus till the date of closure of the Buyback Period.
- 9.12. 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 such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.13. The Company, in compliance with Regulation 4(v) of the Buyback Regulations, is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the stock exchange.
- 9.14. Salient financial parameters consequent to the Buyback based on the audited financial statements for the financial year ended on March 31, 2018 are as under:

Parameters	Based on Audited Financial Statements as on March 31, 2018	
	Pre Buyback	Post Buyback
Net Worth (₹ in Lakh)	1,655.53	1,280.53
Profit/ (Loss) after Tax (₹ in Lakh)	32.59	32.59
Return on Net Worth (in %)	1.97	2.54
Earnings Per Equity Share (EPS) (Basic) (₹)	1.08	1.44
Book Value per Equity Share (₹)	55.08	56.76
Price Earnings (PE) Multiple	36.39	27.29
Debt-Equity ratio	--	--

(1) *Net Worth = Equity Share Capital + Reserves and surplus*

(2) *Return on Net Worth = Profit/(Loss) after Tax / Net worth\*100*

(3) *Earnings per Equity Share pre Buyback = Profit / (Loss) after tax / Weighted number of Equity Shares outstanding*

(4) *Earnings per Equity Share post Buyback is computed after reducing 7,50,000 Equity Shares to be bought back under the Buyback from number of outstanding Equity Shares*

(5) *Book value per Equity Share = Net worth / Number of outstanding Equity Shares*

(6) *PE Multiple = Market Value per Equity Share as on April 4, 2018 (being the first traded closing price post March 31, 2018) on BSE i.e ₹ 39.30 per Equity Share / Earnings per Equity Share*

(7) *Debt-Equity Ratio = Total Debt (including working capital loans) / Equity (Equity Share Capital + Free Reserves & Surplus)*

## 10. BASIS OF CALCULATING THE BUYBACK PRICE

- 10.1. The Equity Shares are proposed to be bought back at a price of ₹ 50/- (Rupees Fifty only) per Equity Share (including a premium of ₹ 40/- per equity share).
- 10.2. The Equity Shares of the Company are infrequently traded on BSE. From April 1, 2018 till the date of Board Meeting i.e. February 13, 2019 only 1,05,140 Equity Shares were traded on the BSE which represents 3.50% of the outstanding equity shares of the Company. As the Equity Shares are infrequently traded, the trend in the market price cannot be determined. No Equity Shares were traded on the date of the intimation of the Board Meeting i.e. February 1, 2019.
- 10.3. The fully paid-up equity shares of the Company are proposed to be bought back at a price of ₹ 50/- (Rupees Fifty only) per equity share (including a premium of ₹ 40/- per equity share). The Buyback Price has been calculated after taking into consideration various factors including, but not limited to book

value, return on net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per share.

- 10.4. The Buyback Price is 0.91 times of the book value per Equity Share of the Company as on March 31, 2018 which was ₹ 55.08 per Equity Share based on audited financial statements for financial year ended March 31, 2018.
- 10.5. The earnings per Equity Share (basic and diluted) of the Company prior to the Buyback, for the financial year ended March 31, 2018 was ₹ 1.08 per Equity Share based on the audited financial statements of the Company. Assuming full acceptance under the Buyback, the earnings per Equity Share (basic and diluted) of the Company for the financial year ended March 31, 2018 will be ₹ 1.44 per Equity Share based on audited financial statements, as adjusted for the Buyback.
- 10.6. The return on net worth prior to the Buyback, for the financial year ended March 31, 2018 was 1.97% based on audited financial statements. Assuming full acceptance under the Buyback, the return on net worth for the financial year ended March 31, 2018 will be 2.54% based on audited financial statements, as adjusted for the Buyback.

## **11. SOURCES OF FUNDS FOR THE BUYBACK**

- 11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh Only), excluding Transaction Cost.
- 11.2. The funds for the Buyback will be sourced from current balances of cash and cash equivalents and/ or internal accruals of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds from banks and financial institutions will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.3. The Company confirmed that the Buyback shall be made out of free reserves and/ or securities premium account of the Company, and/ or such other sources as may be permitted by the Buyback Regulations of the Companies Act as at March 31, 2018 (the last audited financial statements available as on the date of Board meeting recommending the proposal of the Buyback). The Company shall transfer from its free reserves, 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 and annual report.

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

- 12.1. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed IndusInd Bank Limited as the Escrow Agent for the Buyback. The Company, the Manager to the Buyback and the Escrow Agent have entered into an Escrow Agreement dated May 2, 2019, pursuant to which the Escrow Account in the name and style "Glance Finance Limited Buyback Escrow Account" bearing account number 251283955332 has been opened with the Escrow Agent at its branch office located at Nariman Point, Mumbai. In accordance with Regulation 10 of the Buyback Regulations, the Company undertakes to deposit the applicable amount in the Escrow Account on or before the opening of the Buyback Offer. In terms of the Escrow Agreement, the cash will constitute the escrow amount and would form part of the Escrow Account. The Manager to the Buyback has been empowered under the Escrow Agreement to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.2. The Company has adequate and firm financial resources to fulfill its obligations under the Buyback and the same have been certified vide a certificate dated February 13, 2019 by Mr. Amar Bafna (Membership No.: 048639), Partner of M/s Amar Bafna and Associates, Chartered Accountants (Firm Registration No.: 114854W), having their office at 201, Apollo Chamber Premises, Co-Op Society Limited, Mogra Village, Old Nagardas Road, Andheri (East), Mumbai – 400 069, Tel. No.: +91 22 2820 9371.
- 12.3. Based on the above mentioned certificate, the Manager to the Buyback confirms that it is satisfied that the 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 pre Buyback i.e. as on Record Date and Post Buyback is as follows:

(₹ in Lakh)

Sr. No.	Particulars	Pre Buyback	Post Buyback*
<b>1</b>	<b>Authorized Share Capital:</b>		
	31,00,000 Equity Shares of ₹ 10/- each	310.00	310.00
	40,000 Convertible Preference Share of ₹ 100/- each	40.00	40.00
	<b>Total</b>	<b>350.00</b>	<b>350.00</b>
<b>2</b>	<b>Issued and Subscribed Share Capital</b>		
	30,36,100 Equity Shares of ₹ 10/- each	303.61	-
	22,86,100 Equity Shares of ₹ 10/- each	-	228.61
<b>3</b>	<b>Paid-up Share Capital</b>		
	30,05,900 Equity Shares of ₹ 10/- each	302.52	-
	22,55,900 Equity Shares of ₹ 10/- each	-	227.52

\*Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buyback Entitlement.

- 13.2. The Company did not implement any Buyback programme in the three years preceding the date of Public Announcement.
- 13.3. As on date, there are no outstanding preference shares, partly paid-up Equity Shares outstanding or outstanding convertible instruments or calls in arrears.
- 13.4. The shareholding pattern of the Company pre Buyback, as on the Record Date i.e. Friday, April 26, 2019, as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Category of Shareholder	Pre Buyback		Post Buyback	
	Number of Equity Shares	% to pre Buyback paid-up Equity Share capital	Number of Equity Shares	% to post Buyback paid-up Equity Share capital
Promoter and Promoter Group	22,49,200	74.83	17,06,133	75.63
Foreign Investors (including Non-Resident Indians FPIs and Foreign Mutual Funds)	33,944	1.13		
Financial Institutions/Banks & Mutual Funds promoted by Banks/ Institutions	0	0.00	5,49,767	24.37
Others (Public, Public Bodies Corporate, etc.)	7,22,756	24.04		
<b>Total</b>	<b>30,05,900</b>	<b>100.00</b>	<b>22,55,900</b>	<b>100.00</b>

- 13.5. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.
- 13.6. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to 75.63% from 74.83% prior to the Buyback i.e. as on Record Date.
- 13.7. The Promoter and Promoter Group, partners of the LLP's forming part of Promoter and Promoter Group, persons who are in control of the Company and directors and key managerial personnel of the Company have neither purchased or sold any equity shares or other specified securities of the Company during a period of
- a) six months preceding the date of the Board Resolution, which is also the date of notice for postal ballot (i.e. February 13, 2019); and

b) twelve months preceding the date of Public Announcement (i.e. April 8, 2019).

#### 14. BRIEF INFORMATION ABOUT THE COMPANY

##### 14.1. History of the Company

Glance Finance Private Limited was incorporated on September 21, 1994 under the Companies Act, 1956 as private limited company and subsequently converted into a public limited company on September, 28 1994, pursuant to a certificate of change of name issued by the Registrar of Companies, Maharashtra, Mumbai. The registered office of the Company is located at 5, Kitab Mahal, 192, Dr. D. N. Road, Fort, Mumbai - 400 001. The Equity Shares of the Company were listed in the year 1995 on the BSE (Scrip Code: 531199) (Symbol: Glance).

The Company obtained the certificate of registration under Section 45IA of the Reserve Bank of India Act, 1934 from the Reserve Bank of India, on February 18, 1998 to operate as a Non-Banking Finance Institution. Glance Finance Limited is a Non-Banking Finance ('Non Deposit Accepting or Holding') Company. The Company is engaged in non banking financial activities such as advancement of loans, investments in equity shares, mutual funds etc.

##### 14.2. Growth of Business

Taking advantage of an opportunity in the Indian financial market, the Company has generated revenue from operations and the Company is poised to maintain its growth in the coming years.

##### 14.3. Financial Performance

As per audited financial statements for the financial years ended March 31, 2018, 2017 and 2016, the Company recorded total revenue of ₹ 1,031.44 lakh, ₹ 937.33 lakh and ₹ 1,359.65 lakh respectively, and Profit/ (Loss) after tax of ₹ 32.59 lakh, ₹ 45.80 lakh and ₹ 30.04 lakh respectively.

14.4. The details of changes in the equity share capital of the Company since its incorporation are as follows:

Date of Allotment	No. of Equity Shares issued	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Cumulative No. of Equity Shares*	Details
August 24,1994	20	10	10	Cash	20	Subscription to Memorandum
September 22,1994	980	10	10	Cash	1,000	Further Issue
September 28,1994	15,00,000	10	10	Cash	15,01,000	Further Issue
October 9,1995	15,35,100	10	10	Cash	30,36,100	Initial public issue

14.5. The Details of the Board of Directors of the Company as on Record Date are as follows:

Name, DIN, Age and Occupation of the Director	Designation	Qualifications	Date of Appointment	Other Directorships / Designated Partner in LLP
<b>Name:</b> Milind Gandhi <b>DIN:</b> 01658439 <b>Age:</b> 53 years <b>Occupation:</b> Professional	Non-Executive Independent Director	Chartered Accountant	July 18, 2013	1. Asian Star Company Limited 2. Ugam Education Foundation 3. Ase-Western Traders LLP 4. Gandhi & Associates LLP

<b>Name:</b> Narendra Karnavat <b>DIN:</b> 00027130 <b>Age:</b> 63 years <b>Occupation:</b> Professional	Non-Executive Director	Chartered Accountant, LLB	October 17, 2017	1. Dulet Developers LLP 2. Dulet Properties LLP 3. Morija Farms LLP 4. Seedmonk Labs LLP 5. Electro Glass Industries LLP
<b>Name:</b> Bharat Kumar Khaitan <b>DIN:</b> 00246487 <b>Age:</b> 64 years <b>Occupation:</b> Business	Non-Executive Independent Director	Bachelor of Commerce, LLB and Master of Business Administration	March 23, 2018	Nil
<b>Name:</b> Vandana Vasudeo <b>DIN:</b> 00006899 <b>Age:</b> 63 years <b>Occupation:</b> Practicing Company Secretary	Non-Executive Independent Director	Company Secretary	May 19, 2018	Nil

14.6. The details of changes in the Board of Directors during the last 3 years preceding the Record Date are as under:

Name of the Director	Appointment / Resignation *	Effective Date	Reasons
Bharmal Lodha	Resignation	May 31, 2016	Resignation u/s 168
Shripal Choudhari	Appointment	November 28, 2016	Appointment as independent director
Hasmukh Gandhi	Resignation	May 24, 2017	Demise on May 24, 2017
Narendra Arora	Resignation	August 5, 2017	Resignation u/s 168
Narendra Karnavat	Appointment	October 17, 2017	Appointment as promoter director
Tushar G Agarwal	Resignation	October 17, 2017	Resignation u/s 168
Mamta Thakkar	Resignation	February 28, 2018	Resignation u/s 168
Bharat Kumar Khaitan	Appointment	March 23, 2018	Appointment as independent director
Shripal Choudhari	Resignation	March 31, 2018	Resignation u/s 168
Vandana Vasudeo	Appointment	May 19, 2018	Appointment as professional director

\*Excludes re-appointment and change in designation

14.7. The Buyback will not result in any benefit to any Directors of the Company except to the extent of the Equity Shares held by them in the Company which they may tender in the Buyback or the Promoter and Promoter Group of the Company except to the extent of their intention to participate in the Buyback and actual participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share Capital of the Company, post Buyback.

## 15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1. The salient financial information of the Company from the audited financial statements for the preceding three financial years being March 31, 2018, March 31, 2017 and March 31, 2016, and unaudited limited review for nine months ended December 31, 2018 are as under:

(Amount in ₹ in Lakh)

Particulars	For the nine months ended December 31, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	Unaudited	Audited	Audited	Audited
Months	9	12	12	12
Total Revenue	330.29	1,031.44	937.33	1,359.65
Total Expenses (excluding interest and depreciation)	312.33	962.09	894.47	1,317.61
Finance Cost	-	-	-	-
Depreciation and amortization expense	2.99	6.82	8.35	10.19

Exceptional Items	-	-	-	-
Profit/(Loss) before Tax	14.97	62.52	34.51	31.95
Provision for Tax (including Deferred Tax)	(0.16)	29.93	(11.29)	1.90
Profit/(Loss) after Tax	15.13	32.59	45.80	30.04
Equity share capital	302.52	302.52	302.52	302.52
Reserves & Surplus	1,368.13	1,353.01	1,320.42	1,274.62
Net worth	1,670.65	1,655.53	1,622.94	1,577.14
Total Debt (excluding working capital loans)	-	-	-	-
Total Debt (including working capital loans)	-	-	-	-

The annual audited financial statements for the year ended March 31, 2018, 2017 and 2016 and unaudited limited review financial statements for Nine months ended December 31, 2018 have been prepared in accordance with the Accounting Standard (AS) specified under the Act.

## 15.2. Key Financial Ratios

Particulars	For the nine months ended December 31, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	Unaudited	Audited	Audited	Audited
Earnings Per Equity Share (₹) (Basic)	0.50	1.08	1.52	1.00
Earnings Per Equity Share (₹) (Diluted)	0.50	1.08	1.52	1.00
Return on Net Worth (%)	0.91	1.97	2.82	1.90
Book Value Per Equity Share (₹)	55.58	55.08	53.99	52.47
Debt-Equity Ratio	-	-	-	-

**Note:**

- (1) Net Worth = Equity Share Capital + Reserves and surplus
- (2) Earnings per Equity Share (Basic and Diluted) = Profit / (Loss) after tax / Weighted number of Equity Shares outstanding
- (3) Book value per Equity Share = Net worth / Number of outstanding Equity Shares
- (4) Debt-Equity Ratio = Total Debt (including working capital loans) / Equity (Equity Share Capital + Free Reserves & Surplus)
- (5) Return on Net Worth = Profit/(Loss) after Tax / Net worth \* 100

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 sections 68, 69 and 70 of the Companies Act, 2013 and the rules made thereunder.

## 16. STOCK MARKET DATA

16.1. The Equity Shares are currently listed and traded on BSE Limited.

16.2. The high, low and average market prices in preceding three financial years (April to March) and the monthly high, low and average market prices for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE are as follows:

Period	High			Low			Average Price <sup>(3)</sup> (₹)	Total Volume Traded in the period (No. of shares)
	High Price <sup>(1)</sup> (₹)	Date of High Price	No. of shares traded on that date	Low Price <sup>(2)</sup> (₹)	Date of Low Price	No. of shares traded on that date		
<b>PRECEDING 3 FINANCIAL YEARS</b>								
FY 2017	55.05	May 16, 2016	2	21.30	December 26, 2016	3431	37.62	28,635
FY 2018	46.30	December	1,126	16.55	June 9,	6,506	28.63	2,40,735

		29, 2017			2017			
FY 2019	54.00	August 21, 2018	554	27.55	June 28, 2018	5	39.19	1,78,624
<b>PRECEDING SIX COMPLETED CALENDAR MONTHS</b>								
October 2018	37.70	October 15, 2018	500	37.70	October 15, 2018	500	37.70	507
November 2018	No Trading							
December 2018	41.30	December 28, 2018	6,001	35.65	December 31, 2018	6,030	37.52	12,533
January 2019	37.35	January 1, 2019	4,050	30.65	January 17, 2019	9,000	32.97	13,058
February 2019	41.60	February 20, 2019	29,922	32.80	February 8, 2019	200	37.42	44,871
March 2019	44.35	March 26, 2019	9	38.10	March 18, 2019	3,252	41.65	28,913

*Source: www.bseindia.com*

**Note:**

<sup>(1)</sup> High of daily high prices.

<sup>(2)</sup> Low of daily low prices.

<sup>(3)</sup> Average of the daily closing price

*In case of two days with the same price, the date with the higher volume has been chosen*

- 16.3. No Equity Shares were traded on BSE on the date of the intimation of the Board Meeting i.e. February 1, 2019, previous day on which the Board approved the proposal for Buyback i.e. February 12, 2019 and date of Board Meeting i.e. February 13, 2019. The closing market price of the Equity Shares on BSE on February 14, 2019 being the working day immediately after Board Meeting date was ₹ 34.40.

**17. DETAILS OF THE STATUTORY APPROVALS**

- 17.1. The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- 17.2. Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under Regulations 10B of FEMA 20/2000-RB, dated 3-5-2000, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI, subject to the adherence to relevant pricing guidelines of SEBI, documentation and reporting requirements for such transfers as specified by RBI for a listed company.
- 17.3. Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 17.4. Registered Foreign Portfolio Investor including QFIs (RFPI) are permitted under the Foreign Portfolio Investor Scheme (FPI) to sell their duly acquired shares through buyback of shares by a listed Indian company in accordance with the Buyback Regulations.
- 17.5. As on date, the Company confirms that there are no other statutory or regulatory approvals required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchange.
- 17.6. Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- 17.7. In case the Equity Shares are held on repatriation basis, the Eligible Shareholders who are Non-Resident Shareholders shall obtain and enclose a letter from its authorized dealer / bank confirming that at the time

of acquiring the Equity Shares, payment for the same was made by such non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Shareholders who are Non-Resident Shareholders is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buyback. In the event, such consent letter is not submitted by such non-resident Eligible Shareholder, the Company shall have the right to reject the Equity Shares tendered in the Buyback and acceptance of such Equity Shares shall be at the sole discretion of the Company subject to such conditions as the Company may deem fit including making payment for the same on a non-repatriation basis

- 17.8. The Buyback has been approved by the Board in their meeting held on February 13, 2019 and by the Shareholders by special resolution through Postal Ballot, the result of which were declared on Saturday April 6, 2019.

## **18. DETAILS OF THE REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE**

### **18.1. REGISTRAR TO THE BUYBACK**

The Eligible Shareholders holding Shares in dematerialized form and Seller Members (who have submitted bids on behalf of Eligible Shareholders holding shares in physical form, subject to the note under paragraph 20 of this LOF) are required to send the Tender Form, TRS, physical share certificate (for physical Shareholders only) and other documents by superscribing the envelope as “**Glance Finance Limited – Buyback Offer 2019**” to the Registrar to the Buyback Offer either by registered post, speed post, courier or hand deliver at their below office, so that the same are received on or before Monday, June 24, 2019 by 05:00 p.m.



**Link Intime India Private Limited**  
C-101, 1st Floor, 247 Park, L. B. S. Marg,  
Vikhroli (West), Mumbai - 400 083;  
**Contact Person:** Mr. Sumeet Deshpande  
**Tel. No.:** +91 22 4918 6200; **Fax:** +91 22 4918 6195;  
**Email:** glance.buyback@linkintime.co.in;  
**Website:** www.linkintime.co.in;  
**SEBI Registration Number:** INR000004058;  
**Validity:** Permanent Registration;  
**CIN:** U67190MH1999PTC118368.

**TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER OF THE BUYBACK.**

**ELIGIBLE SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.**

### **18.2. COLLECTION CENTRE**

Eligible Shareholders are required to send Tender Form along with the other requisite document(s) along with TRS generated by the stock exchange bidding system upon placing of a bid, either by registered post, speed post, courier or hand delivery to the Registrar to the Buyback at the address under paragraph 18.1 above, so that the same are received not later than 2 (two) days of Buyback Closing Date by 05:00 p.m. The envelope should be superscribed as “**Glance Finance Limited - Buyback Offer 2019**”.

## **19. PROCESS AND METHODOLOGY FOR THE BUYBACK**

- 19.1. The Company proposes to Buyback up to 7,50,000 (Seven Lakh Fifty Thousand) fully paid-up equity shares of face value of ₹10/- each of the Company (representing 24.95% of the outstanding equity shares



of the Company) from the Eligible Shareholders, on a proportionate basis, through the Tender offer using stock exchange mechanism at a price of ₹ 50/- (Rupees Fifty only) per equity share (including a premium of ₹ 40/- per equity share) payable in cash for a maximum aggregate amount of up to ₹ 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) (excluding Company's Transaction Cost), which is 24.48% of the total paid-up equity share capital and free reserves (including securities premium) as per the latest audited financials of the Company for the financial year ended March 31, 2018 and is within the statutory limits of 25% of the total paid-up equity share capital and free reserves (including securities premium) as per the last audited financial statements of the Company for the financial year ended March 31, 2018.

- 19.2. The Buyback is pursuant to Article 61 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act and the relevant rules made thereunder including the Companies (Share Capital and Debentures) Rules, 2014, each as amended from time to time and the provisions of the Buyback Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Buyback is subject to receipt of such approvals, permissions, consents, sanctions and exemptions of the statutory, regulatory or governmental authorities, as may be required under the applicable laws including from the RBI, SEBI, and/ or the Stock Exchange i.e. BSE Limited.
- 19.3. The Company express no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in Buyback.
- 19.4. The aggregate shareholding of the Promoter and Promoter Group as on Record Date is 22,49,200 Equity Shares which represents 74.83% of the total number of outstanding Equity Shares of the Company. In terms of the Buyback Regulations, under the 'Tender offer', the Promoter and Promoter Group of the Company have an option to participate in the Buyback. In this regard, the Promoter and Promoter Group have expressed their intention vide their letter dated February 12, 2019 to participate in the Buyback and tender up to an aggregate maximum number of 11,00,200 Equity Shares.
- 19.5. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback will be 17,06,133 Equity Shares representing 75.63% of the total number of outstanding Equity Shares of the Company.
- 19.6. **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**
  - (i) The Buyback Committee in its meeting held on Monday, April 8, 2019 announced Friday, April 26, 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 are divided into two categories:
    - (a) Reserved category for Small Shareholders ("**Reserved Category**"); and
    - (b) General category for Eligible Shareholders other than the Small Shareholders ("**General Category**").
  - (iii) As defined in the Buyback Regulations, 'Small Shareholder' includes a shareholder, who holds Equity Shares of the Company, as on the Record Date, whose market value, on the basis of closing price on BSE, as on Record Date, is not more than ₹ 2,00,000/- (Rupees Two Lakh Only). Since there was no trading of equity shares of the Company as on Record Date, the closing price one day prior to the Record Date i.e. April 25, 2019 has been taken for the calculation of Small Shareholder. Closing price one day prior to the Record Date i.e April 25, 2019 on BSE, was ₹ 45/-. Accordingly, all Equity Shareholders holding not more than 4,444 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 836 Small Shareholders in the Company with aggregate shareholding of 3,65,615 Equity Shares as on the Record Date, which constitutes 12.16% of the total number of outstanding Equity Shares of the Company and 48.75% 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:
- (a) 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 7,50,000 (Seven Lakh Fifty Thousand) Equity Shares which works out to 1,12,500 (One Lakh Twelve Thousand Five Hundred) Equity Shares; or
  - (b) The number of Equity Shares entitled as per their shareholding as on Record Date [i.e.  $(3,65,615 / 30,05,900) * 7,50,000$ ] Equity Shares which works out to 91,224 Equity Shares (Rounded off).

All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter and Promoter Group also intend to offer Equity Shares held by them in the Buyback.

- (vi) Based on the above and in accordance with proviso to Regulation 6 of the Buyback Regulations, 1,12,500 Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of 6,37,500 Equity Shares.

**(vii) Clubbing of Entitlements**

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

- (viii) Based on the above Buyback Entitlement, the ratio of Buyback for both categories is decided as below:

Category of Shareholders	Ratio of Buyback
Reserved Category for Small Shareholders	4 Equity Shares out of every 13 Equity Shares held on the Record Date.
General Category Eligible Shareholders other than Small Shareholders	233 Equity Shares out of every 965 Equity Shares held on the Record Date.

*The above ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buy-back Entitlement for Reserved Category for Small Shareholders is 0.307700723 and General Category for all other Eligible Shareholders is 0.241451207.*

**19.7. Fractional Entitlements:**

If the Buyback Entitlement under the Buyback, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 (One) 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 Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 4,444 or less Equity Shares as on 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 and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Shareholders to the extent possible and permissible.

**19.8. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:**

Subject to the provisions contained in this LOF, 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:

- (i) 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.
- (ii) Post the acceptance as described in paragraph 19.8 (i) 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 1 (one) Equity Share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (iii) Post the acceptance as described in paragraph 19.8 (i) and (ii) above, 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 1 (one) Equity Share has been accepted in accordance with paragraph 19.8 (ii) above, shall be reduced by 1 (one).
- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.8 (iii) above:
  - (a) 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 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - (b) 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 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

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

Subject to the provisions contained in the LOF, the Company will accept the Equity Shares tendered in the Buyback by Eligible Shareholders other than Small Shareholders in the General Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Eligible Shareholders other than Small Shareholders 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.

- (ii) Post the Acceptance as described in paragraph 19.9 (i) above, in case there are any Equity Shares left to be bought back in the General Category, then the Additional Equity Shares tendered by the other Eligible Shareholders 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 Buyback Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Shareholders 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.
- (iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.9 (ii) above:
  - (a) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - (b) For any Eligible Shareholder if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

**19.10. Basis of Acceptance of Equity Shares between Categories:**

- (i) 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 (Paragraph 19.8 and 19.9) 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 Shareholder shall be equal to the Additional outstanding Equity Shares validly tendered by an Eligible Shareholder 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.
- (ii) 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 1 (one) Equity Share has been accepted in accordance with paragraph 19.8 (i) shall be reduced by 1 (one).
- (iii) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.10 (i) and (ii) above:
  - (a) 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.
  - (b) 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.

**19.11. For avoidance of doubt, it is clarified that:**

- (i) The Equity Shares accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares, tendered by the respective Eligible Shareholder or held by respective Eligible Shareholder as on the Record Date;
- (ii) **The Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of acceptance in accordance with the paragraphs above; and**

- (iii) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Board or any person(s) or committee authorized by the Board will have the authority to decide such final allocation with respect to such acceptance or rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in this paragraph.

## 20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT

**Note: As per the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from December 5, 2018, transfers of securities were not be processed unless the securities are held in the dematerialized form with a depository. Further, as per the press release dated December 3, 2018 issued by SEBI, the deadline for effecting the transfer of securities in dematerialized form only had been extended to April 1, 2019. Therefore, transfers of securities on or after April 1, 2019 or such extended date as may be notified by SEBI (“Physical Transfer Cut-off Date”) shall not be processed unless the securities are held in the dematerialized form with a depository. The reference to physical share / physical transfer herein in this LOF is subject to Physical Transfer Cut-off Date.**

- 20.1. The Buyback is open to all Eligible Shareholders of the Company, holding Equity Shares either in physical and/ or electronic form on the Record Date.
- 20.2. The Company proposes to effect the Buyback through a Tender Offer method on a proportionate basis. The Letter of Offer, Tender Form and entitlement letter (for physical shareholder), will be dispatched (through e-mail and/or physical mode) to all the Eligible Shareholders.
- 20.3. The Eligible Shareholders, who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. On receipt of a request by the Registrar from any shareholder to receive a copy of the Letter of Offer in physical form, the same shall be provided. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.26 below.
- 20.4. An unregistered shareholder, holding equity shares in physical form may also tender his equity shares for buyback by submitting the duly executed SH-4 for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, certified copy of his PAN card and of the person from whom he has purchased equity shares and other relevant documents as required for transfer, if any. For further details please refer to paragraph 20.24 of this Letter of Offer.
- 20.5. The Eligible Shareholder’s participation in the Buyback will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post-Buyback, without additional investment. The Eligible Shareholders may also tender a part of their Buyback Entitlement. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder, shall be in terms of procedure outlined in paragraph 19 (*Process and Methodology for the Buyback*) this Letter of Offer.
- 20.6. 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 Equity Shares or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
- 20.7. 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.

- 20.8. The Company shall accept Equity Shares offered by the duly authorized persons on behalf of Eligible Shareholders including executor / trustee of the trust, partner of the firm, Karta of the HUF, constituted attorney, subject to receipt of certified copies of the relevant documents, as required by the Registrar.
- 20.9. Eligible Shareholders 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 Shareholders are required to tender the applications separately from each demat account, to the special account of Indian Clearing Corporation Limited.
- 20.10. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Shareholders will be accepted as per paragraph 19.7, 19.8, 19.9, 19.10 and 20.12.
- 20.11. As elaborated under paragraph 19.6 above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories; (a) Reserved category for Small Shareholders and (b) the General category for Eligible Shareholders other than Small Shareholders and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.12. 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 Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
- 20.13. The Buyback shall be implemented using the “Mechanism for acquisition of share through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting” notified by SEBI vide circulars CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 (“SEBI Circulars”) and BSE notice no. 20170202-34 dated February 2, 2017 and such other circulars or notifications as may be issued by from time to time, following the procedure prescribed in the Act and the Buyback Regulations, and as may be determined by the Board (including committee authorized by the Board to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.14. For implementation of the Buyback, the Company has appointed Master Capital Services Limited, as the registered broker to the Company (“Company’s Broker”) through whom the purchases and settlement on account of the Buyback would be made by the Company. The contact details of the Company’s Broker are as follows:



**Master Capital Services Limited**

SCO 22-23, Sector 9D, Madhya Marg, Chandigarh -160 009;

**Tel. No.:** +91 172 484 8000; **Fax No.:**+91 172 274 5865;

**Contact Person:** Mr. Ajay Sharma;

**Email:** ajaysharma@mastertrust.co.in;

**Website:** www.mastertrust.co.in;

**SEBI Registration No:** INZ000210539;

**CIN:** U67190HR1994PLC076366.

- 20.15. The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE would be Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window of BSE, through their respective Seller Member. The details of the platform will be specified by BSE from time to time.
- 20.16. The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.

- 20.17. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker.
- 20.18. In the event Seller Member(s) are not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using unique client code ("UCC") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker viz. Master Capital Services Limited, to bid by using UCC facility. The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

**In case of Eligible Shareholder being an individual**

*If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):*

Forms required:

- Central Know Your Client (CKYC) form
- Know Your Client (KYC) form

Documents required (all documents self-attested):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

*If Eligible Shareholder is not registered with KRA:*

Forms required:

- CKYC form
- KRA form
- KYC form

Documents required (all documents self-attested):

- PAN card copy
- Address proof
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Shareholder is HUF:**

*If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):*

Forms required:

- Central Know Your Client (CKYC) form of KARTA
- Know Your Client (KYC) form

Documents required (all documents self-attested):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

*If Eligible Shareholder is not registered with KRA:*

Forms required:

- CKYC form of KARTA
- KRA form
- Know Your Client (KYC) form

Documents required (all documents self-attested):

- PAN card copy of HUF & KARTA
- Address proof of HUF & KARTA
- HUF declaration
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

All above documents need to be signed by the Karta. It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Shareholder other than Individual and HUF:**

*If Eligible Shareholder is KRA registered:*

Form required

- Know Your Client (KYC) form

Documents required (all documents certified true copy)

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

*If Eligible Shareholder is not KRA registered:*

Forms required:

- KRA form
- Know Your Client (KYC) form

Documents required (all documents certified true copy):

- PAN card copy of company/ firm/trust
- Address proof of company/ firm/trust
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies & address proof of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

All above documents need to be signed and certified by the authorised person(s). It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

20.19. During the tendering period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Seller Members during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders. Seller members can enter orders for demat shares as well as physical shares.

20.20. Modification/ cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback. Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.



- 20.21. The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.
- 20.22. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.23. **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialized form**
- (i) Eligible Shareholders who desire to tender their Equity Shares held by them in dematerialized form under the Buyback would have to do so through their respective Seller Member by indicating to the concerned Seller Member, the details of Equity Shares they intend to tender under the Buyback.
  - (ii) The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the order/bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited, by using the early pay-in mechanism as prescribed by the Designated Stock Exchange or the Clearing Corporation prior to placing the bid by the Seller Member.
  - (iii) The details of the special account of the Clearing Corporation and the settlement number shall be informed in the issue opening circular that will be issued by Designated Stock Exchange and/or Clearing Corporation.
  - (iv) For custodian participant orders for dematerialized Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian participant shall either confirm or reject the orders not later than 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, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
  - (v) Upon placing the order, the Seller Member shall provide transaction registration slip (“TRS”) generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of order submitted such as bid ID number, application number, Depository Participant ID, client ID, number of Equity Shares tendered etc.
  - (vi) Eligible Shareholders who have tendered their Equity Shares in the Buyback can ‘hand deliver’ Tender Form duly signed (by all Eligible Shareholders in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the office (mentioned in paragraph 18.1 of this Letter of Offer) of Registrar to the Buyback. TRS will be generated by the respective Seller Members. Eligible Shareholders who cannot hand deliver the Tender Form and other documents at the office of Registrar to the Buyback, may send the same by registered post, speed post, courier at their own risk, superscribing the envelope as “**Glance Finance Limited - Buyback Offer 2019**”, to the Registrar to the Buyback at their office mentioned on the cover page of this LOF, so that the same are received on or before June 24, 2019 (by 05:00 p.m.). One copy of TRS will be retained by the Registrar and it will provide acknowledgment of the same to the Eligible Shareholder. It is clarified that in case of dematerialized Equity Shares, submission of the Tender Form and TRS is not mandatory.
  - (vii) All Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
    - (a) Duly attested power of attorney, if any person other than the Eligible shareholder has signed the Tender Form;
    - (b) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and
    - (c) In case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).

- (viii) In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Equity Shareholders.
- (ix) 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 due to rejection or partial acceptance. Further, Eligible Shareholders will have to ensure that they keep the savings bank, account attached to the DP account, active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- (x) Excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by 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 (Seller Member's) depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian depository pool account.

**20.24. Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in physical form**

**The acceptance of tendered shares be undertaken before the Physical Transfer Cut-off Date the procedure for tendering to be followed by Eligible Shareholders holding Equity Shares in the physical form is as detailed below.**

- (i) Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the (i) completed tender form and original share certificate(s), (ii) valid Form SH-4 (transfer form) duly filled and signed by the Eligible Shareholder (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- (ii) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Shareholders holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no. distinctive no., no. of Equity Shares tendered etc.
- (iii) Any Seller Member/ Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post, courier or hand delivery to the Registrar to the Buyback i.e. Link Intime India Private Limited (at the address mentioned at paragraph 18) not later than 2 (two) days from the offer closing date. The envelope should be superscribed as "**Glance Finance Limited - Buyback Offer 2019**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Shareholder.
- (iv) Eligible Shareholders holding Equity Shares in physical form should note that such physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares held in physical form in the Buyback shall be subject to verification as per the

Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Designated Stock Exchange shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'confirmed bids'.

- (v) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholder should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback Offer before the closure of the tendering period of the Buyback.
- (vi) Modification/cancellation of bids will be allowed during the tendering period of the Buyback.
- (vii) The cumulative quantity of Equity Shares tendered shall be made available on the website of the Designated Stock Exchange, i.e. [www.bseindia.com](http://www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

**20.25. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 “Details of the Statutory Approvals”):**

- (i) While tendering their Equity Shares under the Buyback Offer, all Eligible Shareholders being Non-resident Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- (ii) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (iii) In case the Equity Shares are held on repatriation basis, the Eligible Shareholders who are Non-Resident Shareholders shall obtain and enclose a letter from its authorized dealer/ bank confirming that at the time of acquiring the Equity Shares, payment for the same was made by such non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Shareholders who are Non-Resident Shareholders is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buyback i.e. by way of credit to a non-repatriation bank account or issuance of Rupees demand draft. In the event, such consent letter is not submitted by such non-resident Eligible Shareholder, the Company shall have the right to reject the Equity Shares tendered in the Buyback and acceptance of such Equity Shares shall be at the sole discretion of the Company subject to such conditions as the Company may deem fit including making payment for the same on a non-repatriation basis.

**20.26. In case of non-receipt of the Letter of Offer:**

- (i) **In case the Equity Shares are in dematerialized form:** An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. [www.glancefinance.com](http://www.glancefinance.com) or by providing their application in writing on plain paper, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback and the same should be reach the collection centers not later than 2 (two) days from the Buyback Closing Date (by 05:00 p.m.). However, in case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted.

- (ii) **In case the Equity Shares are in physical form:** (subject to the note under paragraph 20 of this LOF) An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. [www.glancefinance.com](http://www.glancefinance.com) or by providing their application in writing on plain paper signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, bank account details together with the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed Form SH-4 in favor of the Company. The transfer Form SH-4 can be downloaded from the Company's website [www.glancefinance.com](http://www.glancefinance.com). Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.24(i) above), reach the collection centers not later than 2 (two) days from the Buyback Closing Date (by 05:00 p.m.). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar / Company or are not in the same order (although attested), the Company / Registrar shall have a right to reject such applications.
- (iv) Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Shareholder, shall not invalidate the Buyback Offer in any way.
- (v) The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback Offer. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.
- (vi) The instructions and authorizations contained in the Tender Form constitute an integral part of the terms of this Buyback Offer.

**Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member in the electronic platform to be made available by BSE before the Buyback Closing Date.**

**The Company shall accept Equity Shares validly tendered by the Equity Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the 'Plain paper' option as mentioned in this paragraph are advised to confirm their Buyback Entitlement from the Registrar to the Buyback, before participating in the Buyback.**

#### 20.27. Acceptance of orders

The Registrar shall provide details of order Acceptance to Clearing Corporation within specified timelines.

#### 20.28. Method of Settlement

Upon finalization of the basis of acceptance as per Buyback Regulations and in terms of this LOF:

- (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 which will transfer the consideration pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders. If any Eligible Shareholder's bank account details are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or relevant bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Members' for onward transfer to such Eligible Shareholder.

- (iii) In case of certain types of Eligible Shareholders' viz. non-resident Indians, foreign clients etc. (where there are specific Reserve Bank of India ("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 Seller Member's settlement account for releasing the same to their respective Eligible Shareholder's account onward. For this purpose, the client type details would be collected from the Registrar to the Buyback whereas funds payout 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 Exchange and the Clearing Corporation from time to time. In case of deals confirmed by custodian, the settlement will be released to custodian's settlement account.
- (iv) Eligible Shareholder will have to ensure that they keep their depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non/partial acceptance of Equity Shares under the Buyback.
- (v) Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to such Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian participant.
- (vi) Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/rejection will be returned to the Eligible Shareholders directly by the Company/Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in the physical form. The Company will issue a new consolidated share certificate for all the unaccepted and excess Equity Shares in physical form and return the same to the sole/first shareholder (in case of joint shareholders).
- (vii) The Seller Member would issue contract note to the respective Eligible Shareholder for the Equity Shares accepted under the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (viii) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("Special Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

20.29. Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Members for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Securities Transaction Tax would be deducted from respective Eligible Shareholders funds payout. 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 and the Manager to the Buyback accept no responsibility to bear or pay such additional cost, applicable taxes, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

20.30. The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form (subject to the note under paragraph 20 of this LOF) will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

#### 20.31. Settlement of Funds/ Payment Consideration

The settlements of fund obligation for dematerialized and physical Equity Shares shall be effected as per the SEBI circulars and as prescribed by the Stock Exchange and Clearing Corporation from time to time.

For Equity Shares accepted under the Buyback, the Eligible Shareholders holding Equity Shares in dematerialized form will receive funds payout in the Shareholder's bank account as provided by the Depository system from Clearing Corporation and in case of physical shares the Clearing Corporation will release the funds to the Seller Member as per secondary market pay out mechanism. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/ Bank, due to any issue then such funds will be transferred to the concerned Seller Members' settlement bank account for onward transfer to their respective Eligible Shareholders.

#### 20.32. Rejection Criteria

**The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:**

**For Eligible Shareholders holding shares in the dematerialized form if:**

- (i) the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or
- (ii) if there is a name mismatch in the dematerialized account of the Shareholder and PAN.

**For Eligible Shareholders holding Equity Shares in the physical form if (subject to the note under paragraph 20 of this LOF):**

- (i) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours on June 24, 2019 by 05:00 p.m.;
- (ii) If the share certificate of the Company is not enclosed with the Tender Form;
- (iii) If the transfer/transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- (iv) In the event the signature in the Tender Form and / or Form SH-4 do not match as per the specimen signature recorded with Company or Registrar;
- (v) If there is any other company share certificate are enclosed with the Tender Form instead of the share certificate of the Company;
- (vi) If the Share Transfer Form – SH4 is not witnessed;
- (vii) Where there exist any restraint order of a Court/ any other competent authority for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity shares is under dispute of otherwise not clear or where any other restraint subsists.

#### 21. NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the Company.

**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.**

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

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

## 1. GENERAL

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

A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India sourced income or income received by such person in India. 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 Glance Finance Limited is incorporated in India, the shares of Glance Finance Limited 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 Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement (“**DTAA**”) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes/ rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of equity shares listed on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

## 2. CLASSIFICATION OF SHAREHOLDERS

Based on the provisions of the Income Tax Act, shareholders can be classified under the following categories:

### A) Resident Shareholders being:

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

### B) Non Resident Shareholders being:

- Non Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs)
- Foreign Companies
- Others

## 3. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

### A) Shares held as investment (Profit or Gains arising from transfer taxable under the head “Capital Gains”)

### B) Shares held as stock-in-trade (Profit or Gains arising from transfer taxable under the head “Profits and Gains from Business or Profession”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterisation 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. Central Board of Direct Taxation (CBDT), the apex body of Income-Tax has issued Circular No.

6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by Income Tax Authorities. However, the choice on characterization, once taken by the taxpayer should be consistent, and shall apply for subsequent years as well.

Further, investments by FIIs 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 under the provisions of the Income Tax Act.

### 3.1 SHARES HELD AS INVESTMENT

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

#### 3.1.1 Period of holding

Depending on the period for which the shares are held, the gains would be taxable as ‘short term capital gain’ or ‘long term capital gain’:

- In respect of equity shares which are listed on a recognised Stock Exchange, 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 which are listed on a recognised Stock Exchange 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”).

#### 3.1.2 Buyback of shares through a recognized stock exchange

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

The taxability of buyback proceeds would be as under:

- As per the provisions of the Income Tax Act as amended by the Finance Act, 2018, the exemption provided u/s 10(38) of Income Tax Act for LTCG has been withdrawn and tax @10% shall be levied on LTCG exceeding ₹1 Lac in a financial year arising on transfer of listed equity shares without allowing the benefit of indexation. However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of:
  - i. the actual cost of acquisition of such equity shares acquired before 1st February, 2018 or
  - ii. the lower of the following:
    - a. the highest price of such equity shares quoted on the recognised stock exchange on 31st January, 2018; or
    - b. the actual sale value of such equity shares.



However, as per Income Tax Notification No. 60/2018 [F. NO. 370142/9/2017-TPL] dated 01.10.2018, an exemption from the requirement of STT being paid at the time of acquisition of shares provided to certain modes of acquisition including acquisition of shares by a non-resident under the FDI policy. If acquisition is made in such specified modes, the rates specified above shall continue to apply, even if no STT was paid at the time of acquisition of the shares.

If STT is not paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).

- STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, without any restriction on the mode of acquisition.

Further, resident corporate shareholders would also be subject to Minimum Alternate Tax under section 115JB of the Income Tax Act at the rate of 18.50%. This would however be available for offset against taxes payable by such corporate shareholders under normal tax provisions (subject to conditions). In addition to the Tax, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income tax is considered while computing the tax on such STCG taxable under section 111A of the Income Tax Act. In addition to the above STCG tax, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

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

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

### **3.2 SHARES HELD AS STOCK-IN-TRADE**

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

#### **3.2.1 Resident Shareholders**

- a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates as applicable.
- b) Domestic Company having turnover or gross receipts not exceeding ₹ 250 crore of the previous year 2016-17 would be taxable @ 25%
- c) For persons other than stated in (A) and (B) above, profits would be taxable @ 30%

In addition to the above, Surcharge and Health and education cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

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

#### **3.2.2 Non Resident Shareholders**

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

In addition to the above, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 below for rate of surcharge and cess).

#### 4. TAX DEDUCTION AT SOURCE (TDS)

##### 4.1 In case of Resident Shareholders

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

##### 4.2 In case of Non-resident Shareholders

Under the Income Tax laws, any capital gains paid to a non-resident is subject to deduction of tax at source, unless capital gains are realised by FIIs. However, since the buy-back is through the stock exchange, the company will not be able to withhold any taxes, and thus, the company believes that the responsibility of withholding/discharge of the taxes due on such gains (if any) is solely on the custodians/ authorised dealer/ non-resident shareholder with no recourse to the company.

It is therefore important that the non-resident shareholder consult their custodians / authorised dealers / tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the company is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the company is entitled to be indemnified by such shareholder. The non-resident shareholders also to provide undertaking to the Company, to provide on demand, the relevant details in respect of the taxability/ nontaxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

TDS as per clause 1(b) of Part II to First Schedule of Finance Act, 2018 which deals with TDS shall be made where the person is non-resident in India, as per rates given below:

S. No.	Nature of Income	Rate of TDS
A	On any investment income	20%
B	On Income by way of Long term gains referred to in Section 115E or sub clause (iii) of clause (c) of sub section (1) of Section 112 of the Income Tax Act	10%
C	On Income by way of long term capital gain referred to in Section 112A of the Income Tax Act	10%
D	On other Income by way of long term gains not being long term capital gains referred to in clauses (33) and (36) of section 10 of the Income Tax Act	20%
E	On Income by way of Short term capital gain referred to in Section 111A of the Income Tax Act	15%

#### 5. RATE OF SURCHARGE AND CESS

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

## 5.1 Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds ₹10 crores and @ 7% where the total income exceeds ₹ 1 crore but upto ₹ 10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds ₹ 10 crores and @ 2% where the total income exceeds ₹ 1 crore but upto ₹ 10 crores.
- In case of Individuals, Hindu Undivided family, Association of Persons, and Body of Individuals: Surcharge @15% is leviable where the total income exceeds ₹ 1 crore and @ 10% where the total income exceeds ₹ 50 Lakhs but upto ₹ 1 crore.
- In case of Firms, Co-operative Societies, or Local Authorities: Surcharge @ 12% is leviable where the total income exceeds ₹ 1 crore.

## 5.2 Cess

Health and education cess @ 4% is leviable on income tax and surcharge, as applicable.

## 6. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.**

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

## 22. DECLARATION BY THE BOARD OF DIRECTORS

As required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations, the Board of Directors made declaration as on the date of passing the board resolution approving the Buyback i.e. February 13, 2019:

1. no defaults have been made or subsisting in the repayment of deposits accepted or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.
2. it has made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company has formed an opinion that:
  - a) immediately following the date of the Board Meeting held on Wednesday, February 13, 2019 and the date of declaration of results of the Postal Ballot, there will be no grounds on which the Company could be found unable to pay its debts;
  - b) as regards the Company's prospects for the year immediately following the date of the Board Meeting and as well as for the year immediately following the date on which the results of the Postal Ballot/ E-voting were declared approving the Buyback, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said 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 approving the Buyback and within a period of one year from the date of declaration of results of the Postal Ballot, as the case may be.

- c) in forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act 2013 and the Insolvency and Bankruptcy Code, 2016, including prospective and contingent liabilities.

This declaration is made and issued by the Board of Directors in terms of the resolution passed at its meeting held on Wednesday, February 13, 2019.

For and on behalf of the Board of Directors of **Glance Finance Limited**

**Sd/-**  
**Narendra Karnavat**  
**Director**  
**DIN: 00027130**

**Sd/-**  
**Milind Gandhi**  
**Director**  
**DIN: 01658439**

## 23. AUDITORS CERTIFICATE

The text of the report dated February 13, 2019 received from, M/s. Amar Bafna and Associates, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced as under:

### Quoted

The Board of Directors  
**Glance Finance Limited**  
5, Kitab Mahal, 192,  
Dr. D.N Road, Fort,  
Mumbai - 400 001

Dear Sirs,

**Sub.: Statutory Auditors' Report in respect of proposed buyback of equity shares by Glance Finance Limited ("Company") in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("Buyback Regulations").**

1. This report is issued in accordance with the terms of our engagement letter dated February 12, 2019. The Board of Directors of Glance Finance Limited have approved a proposed buyback of equity shares by the Company at its meeting held on February 13, 2019, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("Act") and the Buyback Regulations.
2. The accompanying statement of permissible capital payment ("**Annexure A**") as at March 31, 2018 (hereinafter referred together as the "Statement") is prepared by the Management, which we have initialed for identification purposes only.

### **Management's Responsibility for the Statement:**

3. The preparation of the statement in accordance with Section 68(2)(c) of the Act and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

### **Auditors' Responsibility**

4. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide reasonable assurance:
  - (i) whether we have inquired into the state of affairs of the Company in relation to the audited financial statements for the financial year ended March 31, 2018;

- (ii) if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the latest audited financial statements in accordance with Section 68(2)(c) of the Act; and
  - (iii) if the Board of Directors in their meeting dated February 13, 2019, have formed the opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
5. The audited financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated May 19, 2018.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant 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**

8. Based on inquiries conducted and our examination as above, we report that:
- a. We have inquired into the state of affairs of the Company in relation to its audited financial statements for the financial year ended March 31, 2018;
  - b. The amount of permissible capital payment (including securities premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company for the financial year ended March 31, 2018; and
  - c. The Board of Directors of the Company, in their meeting held on February 13, 2019 have formed their opinion as specified in clause (x) of Schedule I of 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 date of passing the Board meeting resolution dated February 13, 2019 and one year from the date on which the results of the postal ballot will be declared.

### **Restriction on Use**

9. 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 postal ballot notice, public announcement, draft letter of offer, letter of offer 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 manager, for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

**For and on behalf of**  
M/s Amar Bafna and Associates  
**Chartered Accountants**  
**Firm Reg. No.:** 114854W

Amar Bafna  
**Partner**  
**Membership No.:** 048639

**Place:** Mumbai  
**Date:** February 13, 2019

**Annexure A:**

**Statement of determination of the permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(c) of the Act**

<b>Particulars</b>	<b>Amount (Rs. in Lakh)</b>
Paid-up equity share Capital as on 31 <sup>st</sup> March, 2018 (30,36,100 equity shares of Rs. 10/- each)	302.52
<b>Free Reserves: As on March 31, 2018</b>	
Security Premium Account	126.00
Retained Earnings	1,103.06
<b>Total</b>	<b>1,531.58</b>
Maximum amount permissible for the buyback under Section 68 of the Act i.e. 25% of total paid up equity share capital and free reserves	382.89
Amount approved by the Board of Directors for the buyback in the meeting held on February 13, 2019 subject to the approval of shareholders by special resolution	375.00

Calculation in respect to the buyback is done on basis of audited financial statements of the Company for the financial year ended March 31, 2018.

**For and on behalf of**  
M/s Amar Bafna and Associates  
**Chartered Accountants**  
**Firm Reg. No.: 114854W**

Amar Bafna  
**Partner**  
**Membership No.: 048639**

**Place:** Mumbai  
**Dated:** February 13, 2019

**Unquoted**

**24. MATERIAL DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the Registered Office of the Company at 5, Kitab Mahal, 192, Dr. D.N Road, Fort, Mumbai - 400 001, between 10:00 a.m. and 05.00 p.m. on all working days (Monday to Friday) during the Offer Period:

- (i) Certificate of Incorporation of the Company;
- (ii) Certified copies of the updated Memorandum and Articles of Association of the Company;
- (iii) Annual reports of the Company for the three financial years viz. March 31, 2016, March 31, 2017 and March 31, 2018 and limited review financials for the nine months period ended December 31, 2018;
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on February 13, 2019, approving the proposal of the Buyback;
- (v) Copy of special resolution of the Shareholders passed by way of postal ballot, results of which were announced on Saturday April 6, 2019;
- (vi) Certificate dated February 13, 2019 received from Mr. Amar Bafna (Membership No.: 048639), Partner of M/s Amar Bafna and Associates, Chartered Accountants (Firm Registration No.: 114854W), the statutory auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;
- (vii) Copy of Declaration of Solvency by the Company and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014;

- (viii) Copy of Public Announcement dated April 8, 2019, published on April 9, 2019;
- (ix) Certificate dated February 13, 2019 by Mr. Amar Bafna, partner of M/s. Amar Bafna and Associates, Chartered Accountants, the statutory auditors of the Company, certifying that the Company has made firm financial arrangements for fulfilling its obligations under the Buyback, in accordance with the Buyback Regulations;
- (x) Opinion dated April 15, 2019 by Mr. Amar Bafna, partner of M/s. Amar Bafna and Associates, Chartered Accountants, the statutory auditors of the Company, with respect to note on taxation;
- (xi) Copy of the Escrow Agreement dated May 2, 2019 executed amongst the Company, Escrow Agent and the Manager to the Buyback; and
- (xii) SEBI comments received on DLOF vide letter number SEBI/HO/CFD/DCR1/OW/P/2019/013193/1 dated May 24, 2019 issued in terms of the Buyback Regulations.

## 25. DETAILS OF THE COMPLIANCE OFFICER

Investors may contact the Compliance Officer of the Company, duly appointed for the purpose of the Buyback, for any clarifications or to address their grievances, if any, during office hours i.e. 10:00 a.m. to 05:00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

**Compliance Officer:** Mr. Dewang Doshi  
**Address:** 5, Kitab Mahal, 192, Dr. D.N. Road, Fort, Mumbai - 400 001;  
**Tel. No.:** +91 22 4066 6673/ +91 22 4066 6674; **Fax No.:** +91 22 4066 6670;  
**Email:** glance@glancefin.com; **Website:** www.glancefinance.com

## 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 Shareholders can approach the compliance officer and/ or Manager to the Buyback and/ or Registrar to the Buyback for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013 or any rules made there-under, 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, 2013, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

**The Registrar of Companies, Mumbai, Maharashtra**  
 100, Everest, Marine Drive, Mumbai- 400 002

## 27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any queries, Equity Shareholders may also contact the Registrar to the Buyback, during office hours i.e. 10:00 a.m. to 05:00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

**Registrar to the Buyback**



**Link Intime India Private Limited**  
 C-101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083;  
**Contact Person:** Mr. Sumeet Deshpande  
**Tel. No.:** +91 22 4918 6200; **Fax:** +91 22 4918 6195;  
**Email:** glance.buyback@linkintime.co.in;  
**Website:** www.linkintime.co.in;

**SEBI Registration Number:** INR000004058;  
**Validity:** Permanent Registration;  
**CIN:** U67190MH1999PTC118368.

**28. MANAGER TO THE BUYBACK**



**Master Capital Services Limited**  
SCO 22-23, Sector 9D, Madhya Marg, Chandigarh -160 009;  
**Contact Person:** Mr. Jaspal Rawat / Mr. Sanchit Agarwal;  
**Tel. No.:** +91 172 484 8000; **Fax No.:** +91 172 274 5865;  
**Email:** glancebuyback@mastertrust.co.in;  
**Website:** www.mastertrust.co.in;  
**Investor Grievance E-mail:** mbd@mastertrust.co.in  
**SEBI Registration No:** INM000000107;  
**Validity:** Permanent Registration;  
**CIN:** U67190HR1994PLC076366.

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

As per Regulation 24(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Letter of Offer and confirm that the information in this Letter of Offer is 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 February 13, 2019 and by the Buyback Committee through Resolution passed by the Buyback Committee meeting held on April 16, 2019.

**For and on behalf of the Board of Directors of Glance Finance Limited**

<b>Sd/-</b> <b>Narendra Karnavat</b> <b>Director</b> <b>DIN: 00027130</b>	<b>Sd/-</b> <b>Milind Gandhi</b> <b>Director</b> <b>DIN: 01658439</b>	<b>Sd/-</b> <b>Dewang Doshi</b> <b>Manager</b>
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**Date:** May 29, 2019  
**Place:** Mumbai



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

**Bid Number:**

**Date:**

BUYBACK OPENS ON	Monday, June 10, 2019	
BUYBACK CLOSES ON	Friday, June 21, 2019	
<b>For Registrar / Collection Centre use</b>		
Inward No.	Date	Stamp
<i>Status (please tick appropriate box)</i>		
<input type="checkbox"/> Individual	<input type="checkbox"/> FII/FPI	<input type="checkbox"/> Insurance Co.
<input type="checkbox"/> Foreign Co.	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> FVCI
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/FI	<input type="checkbox"/> Pension/PF
<input type="checkbox"/> VCF	<input type="checkbox"/> Partnership/LLP	<input type="checkbox"/> Others (specify)
<b>India Tax Residency Status: Please tick appropriate box</b>		
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident in India	Resident of _____ (shareholder to fill in country of residence)

To,  
The Board of Directors  
**Glance Finance Limited**  
C/o. Link Intime India Private Limited  
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400 083  
Tel: +91 22 4918 6200; Fax: +91 22 4918 6195

Dear Sirs,

**Sub: Buyback upto 7,50,000 (Seven Lakh Fifty Thousand) Equity Shares of Glance Finance Limited (“Company”) at a price of ₹ 50/- (Rupees Fifty Only) per Equity Share (“Buyback Price”), payable in cash.**

- I / We (having read and understood the Letter of Offer) hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this tender / offer are offered in the Buyback by me / us and are free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares in the Buyback and that I / we am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the Buyback Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder, in case of joint holders.
- 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 Buyback shall be deemed to have been accepted, for Eligible Shareholders.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Shareholder as per the provisions of Buyback Regulations, circulars issued by the SEBI and notices issued by Stock Exchange.
- I/We agree that the excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered would be returned as per the provisions of Buyback Regulations and circulars issued by the SEBI.
- I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Act and the Buyback Regulations.
- Applicable for all Non-resident shareholders - I / We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with the prevailing income tax laws in India for the Equity Shares bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned by me / us on such Buyback of Equity Shares.
- Details of Equity Shares held and tendered / offered for Buyback:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (Friday, April 26, 2019)		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including Additional Shares)		

*Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by Eligible Shareholder over and above his Buyback Entitlement shall be accepted in accordance with paragraph 19 and 20 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.*

Tear along this line

**Acknowledgement Slip: GLANCE FINANCE LIMITED - BUYBACK OFFER 2019**  
(to be filled by the Equity Shareholder) (subject to verification)

DP ID		Client ID	
Received from Mr./Ms./Mrs.			
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>			
No. of Equity Shares offered for Buyback (In Figures)		(in words)	
Please quote Client ID No. & DP No. for all future correspondence		Stamp of Broker	

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

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

14. Equity Shareholders Details:

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

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

1. This Buyback will open on Monday, June 10, 2019 and close on Friday, June 21, 2019.
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Buyback would have to do so through their respective Seller Member by indicating the details of Equity Shares they intend to tender in the Buyback.
4. The Equity Shares tendered in the Buyback shall be liable to be rejected if (i) the Equity Shareholder is not an Equity Shareholder of the Company as on the Record Date; (ii) if there is a name mismatch in the demat account of the Shareholder; or (iii) if the Eligible Shareholder has made a duplicate bid.
5. 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 due to rejection or due to the Buyback being on a proportionate basis in terms of the Ratio of Buyback.
6. Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
7. For the procedure to be followed by Eligible Shareholders for tendering in the Buyback, please refer to paragraph 20 of the Letter of Offer.
8. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
9. The buyback shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of shares in the special account of the Clearing Corporation and/or a non-receipt of valid bid in the exchange bidding system.
10. Non-Resident Equity Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI).
11. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form file a copy of the following documents:
  - i) Approval from the appropriate authority for such merger.
  - ii) The scheme of merger.
  - iii) The requisite form filed with MCA intimating the merger.
12. **The Tender Form and TRS is not required to be submitted to the Company or Manager. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.**

*All capitalized terms shall have the meaning ascribed to them in the Letter of Offer.*

Tear along this line

**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Link Intime India Private Limited**  
**Unit - Glance Finance Limited – Buyback Offer 2019**  
 C-101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083  
**Tel. No.:** +91 22 4918 6200 | **Fax:** +91 22 4918 6195  
**Email:** glance.buyback@linkintime.co.in | **Website:** www.linkintime.co.in  
**Contact Person:** Mr. Sumeet Deshpande