

**DRAFT LETTER OF OFFER****THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Letter of Offer is being sent to you as a registered Equity Shareholder of Savita Oil Technologies 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 should consult your stock broker or your investment consultant or the Manager to the Buyback i.e. ITI Capital Limited (formerly Inga Capital Limited) or the Registrar to the Buyback i.e. Link Intime India Private Limited. Please refer to the section on “**Definitions of Key Terms**” for the definition of the capitalized terms used herein.

**SAVITA OIL TECHNOLOGIES LIMITED**

**Registered Office:** 66/67, Nariman Bhavan, Nariman Point, Mumbai – 400 021

**Corporate Identity Number (CIN):** L24100MH1961PLC012066

**Tel. No.:** +91 22 6624 6200; **Fax:** +91 22 2202 9364; **Email:** legal@savita.com;

**Website:** www.savita.com; **Contact Person:** Mr. Uday Rege, Company Secretary & Compliance Officer

Offer for buyback upto 2,51,000 (Two Lakh Fifty One Thousand) fully paid-up equity shares of face value of Rs. 10/- (Rupees Ten only) each (“**Equity Shares**”) representing upto about 1.75% of the total number of Equity Shares of the Company, from all the equity shareholders/beneficial owners of the Company who hold Equity Shares as on the record date i.e. Wednesday, June 12, 2019 (“**Record Date**”) on a proportionate basis, through the tender offer using stock exchange mechanism (“**Tender Offer**”), at a price of Rs.1605/- (Rupees One Thousand Six Hundred and Five Only) (including premium of Rs.1595/-) per Equity Share (“**Buyback Price**”) for an aggregate maximum amount of upto Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only) (“**Buyback Size**”) excluding the transaction cost such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc., (“**Transaction Cost**”) (“**Buyback**” or “**Buyback Offer**”).

1. The Buyback is in accordance with Section 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended (the “**Act**”), the Companies (Share Capital and Debentures) Rules, 2014, as amended (“**Share Capital Rules**”) the Companies (Management and Administration) Rules, 2014, as amended (“**Management Rules**”) to the extent applicable and other applicable rules made under Act, provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**LODR Regulations**”) and in compliance with the Buyback Regulations, Article 8A of the Articles of Association of the Company and is subject to other approvals, permissions and sanctions as may be required from time to time from any statutory and/ or regulatory authority and which may be agreed to by the Board of Directors or any person authorised by the Board of Directors.
2. The Buyback Size of Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only), which represents 4.74% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone balance sheet of the Company as on March 31, 2019, is within the statutory limits of 10% (Ten Percent) of the total paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone balance sheet as at March 31, 2019 under the board of directors approval route as per the provisions of the Companies Act, 2013 and Buyback Regulations.
3. The Letter of Offer shall be sent to all the eligible equity shareholders / beneficial owners of the Company who hold Equity Shares as on the Record Date.
4. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (“**Tender Form**”) will be enclosed together with the Letter of Offer.
5. For mode of payment of consideration to the Eligible Sellers (as defined below), please refer to paragraph 20.29 of this Draft Letter of Offer.
6. A copy of the Public Announcement, Draft Letter of Offer and the Letter of Offer (including the Tender Form) shall also be available on the website of the Company at www.savita.com and expected to be available on the Securities and Exchange Board of India website www.sebi.gov.in.
7. Eligible Sellers are advised to refer to ‘Details of the Statutory Approvals’ and ‘Note on Taxation’ in paragraph 17 and paragraph 21 respectively, of this Draft Letter of Offer, before tendering their Equity Shares in the Buyback.

**MANAGER TO THE BUYBACK****ITI Capital Limited**

(Formerly known as Inga Capital Limited)

Naman Midtown, 21st Floor, ‘A’ Wing,

Senapati Bapat Marg, Elphinstone (West),

Mumbai - 400 013, Maharashtra.

**Tel. No.:** +91 22 4031 3489, **Fax No.:** +91 22 4031 3379;

**Contact Person:** Mr. Mihir Pandhi / Ms. Nimisha Joshi;

**Email:** savita.buyback2019@iticapital.in;

**Website:** www.iticapital.in;

**SEBI Registration No:** INM000010924

**CIN:** U74140MH1999PLC122493

**Valid upto :** Permanent Registration

**BUYBACK OPENS ON:** [●]

**REGISTRAR TO THE BUYBACK****Link Intime India Private Limited**

C 101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai 400 083, Maharashtra, India.

**Tel. No.:** +91 22 4918 6200; **Fax:** +91 22 4918 6195

**Contact person:** Mr. Sumeet Deshpande;

**Email:** savita.buyback2019@linkintime.co.in;

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

**SEBI Registration No:** INR000004058;

**CIN:** U67190MH1999PTC118368

**Valid upto:** Permanent Registration

**BUYBACK CLOSES ON:** [●]

**LAST DATE/ TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO BUYBACK:** [●], [●]

## TABLE OF CONTENTS

1. SCHEDULE OF ACTIVITIES.....	3
2. DEFINITION OF KEY TERMS .....	3
3. DISCLAIMER CLAUSE.....	6
4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING.....	7
5. DETAILS OF THE PUBLIC ANNOUNCEMENT .....	11
6. DETAILS OF THE BUYBACK.....	12
7. AUTHORITY FOR THE BUYBACK .....	15
8. NECESSITY OF THE BUYBACK.....	15
9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE.....	15
10. BASIS OF CALCULATING THE BUYBACK PRICE .....	19
11. SOURCES OF FUNDS FOR THE BUYBACK .....	19
13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN.....	20
14. BRIEF INFORMATION ABOUT THE COMPANY .....	21
15. FINANCIAL INFORMATION ABOUT THE COMPANY .....	26
16. STOCK MARKET DATA.....	27
17. DETAILS OF THE STATUTORY APPROVALS .....	28
18. REGISTRAR TO THE BUYBACK / INVESTOR SERVICE CENTRE.....	29
19. PROCESS AND METHODOLOGY FOR THE BUYBACK.....	29
20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT.....	33
21. NOTE ON TAXATION.....	40
22. DECLARATION BY THE BOARD OF DIRECTORS.....	45
23. AUDITORS CERTIFICATE.....	45
24. MATERIAL DOCUMENTS FOR INSPECTION .....	47
25. DETAILS OF THE COMPLIANCE OFFICER.....	48
26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SELLERS .....	48
27. REGISTRAR TO THE BUYBACK / INVESTOR SERVICE CENTRE.....	48
28. MANAGER TO THE BUYBACK.....	49
29. DIRECTORS' RESPONSIBILITY .....	49

## 1. SCHEDULE OF ACTIVITIES

Activity	Day and Date
Date of the board meeting approving the proposal for Buyback of Equity Shares	Wednesday, May 29, 2019
Date of publication of Public Announcement for the Buyback	Friday, May 31, 2019
Record Date for determining the Buyback Entitlement and the names of Eligible Sellers	Wednesday, June 12, 2019
<b>Buyback opens on / Buyback Opening Date</b>	[●]
<b>Buyback closes on / Buyback Closing Date</b>	[●]
Last date of receipt of completed Tender Forms and other specified documents by the Registrar to Buyback	[●]
Last date of verification by Registrar to Buyback	[●]
Last date of intimation to the stock exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar and Manager to the Buyback	[●]
Last date of settlement of bids on the stock exchange	[●]
Last date of return of unaccepted demat shares by Stock Exchange to Seller Member / Eligible Sellers	[●]
Last date of extinguishment of Equity Shares bought back	[●]

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

Term	Description
<b>Acceptance</b>	Acceptance of Equity Shares tendered by Eligible Sellers in the Buyback
<b>Act / Companies Act, 2013</b>	The Companies Act, 2013, along with the relevant rules made thereunder and as amended
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, including amendment thereto and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, BSE notice no. 20170202-34 dated February 2, 2017 and BSE notice no. 20170210-16 dated February 10, 2017 and such other circulars or notifications
<b>Additional Equity Shares</b>	Equity Shares tendered by an Eligible Seller over and above the Buyback Entitlement of such Eligible Seller such that total number of Equity Shares tendered do not exceed the Equity Shares held on the Record Date by such Eligible Seller
<b>AOP</b>	Association of Person
<b>Articles</b>	Articles of Association of the Company, as amended from time to time
<b>ASE</b>	Ahmedabad Stock Exchange Limited
<b>Board /Board of Directors</b>	Board of Directors of the Company or Committee thereof
<b>BSE</b>	BSE Limited
<b>Buyback</b>	Offer by Savita Oil Technologies Limited to Buyback upto 2,51,000 (Two Lakh Fifty One Thousand) fully paid-up Equity Shares of face value of Rs.10/- (Rupee Ten Only) each at a price of Rs.1605/- (Rupees One Thousand Six Hundred Five Only) per Equity Share from Eligible Sellers, through the Tender Offer on a proportionate basis.
<b>Buyback Entitlement</b>	The number of Equity Shares that an Eligible Seller is entitled to tender in the Buyback, based on the number of Equity Shares held by that Eligible Seller on

<b>Term</b>	<b>Description</b>
	the Record Date in the Ratio of Buyback as applicable in the category, to which such Eligible Seller belongs.
<b>Buyback closes on / Buyback Closing Date</b>	[●]
<b>Buyback opens on / Buyback Opening Date</b>	[●]
<b>Buyback Price</b>	Price at which Equity Shares will be bought back from the Eligible Sellers i.e. Rs.1605/- (Rupees One Thousand Six Hundred and Five Only) per Equity Share, payable in cash.
<b>Buyback Regulations</b>	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended.
<b>Buyback Size</b>	Number of Equity Shares proposed to be bought back (i.e. upto 2,51,000 (Two Lakh Fifty One Thousand)) multiplied by the Buyback Price (i.e. Rs.1605/- (Rupees One Thousand Six Hundred and Five Only) per Equity Share aggregating to maximum amount of upto Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only).
<b>Company</b>	Savita Oil Technologies Limited
<b>Company's Broker</b>	Antique Stock Broking Limited
<b>Compliance Officer</b>	Mr. Uday Rege, Company Secretary & Compliance Officer
<b>Depositories</b>	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
<b>Designated Stock Exchange</b>	BSE Limited
<b>DP</b>	Depository Participant
<b>Draft Letter of Offer / DLOF</b>	This Draft Letter of Offer dated June 7, 2019 filed with SEBI
<b>DSE</b>	Delhi Stock Exchange Limited
<b>Eligible Seller(s)</b>	All Equity Shareholders holding Equity Shares as on the Record Date being Wednesday, June 12, 2019 and who are eligible to participate in the Buyback in terms of this DLOF
<b>Equity Shares</b>	Fully paid-up equity shares of face value of Rs.10/- (Rupees Ten Only) each of the Company
<b>Equity Shareholder(s)</b>	Holders of the Equity Shares and includes beneficial owners thereof
<b>Escrow Account</b>	The Escrow Account titled "[●]" to be opened with Escrow Agent
<b>Escrow Agent</b>	[●]
<b>Escrow Agreement</b>	The escrow agreement dated [●] entered into between the Company, Escrow Agent and Manager to the Buyback
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended from time to time, including the regulations circulars, directions and notifications issued thereunder.
<b>General Category</b>	Category of Eligible Seller(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 and rules made thereunder.
<b>Letter of Offer / LoF</b>	The letter of offer dated [●] 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>LODR Regulations</b>	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
<b>LTCG</b>	Long Term Capital Gain
<b>Manager to the Buyback / Manager</b>	ITI Capital Limited (formerly Inga Capital Limited)
<b>MOA</b>	Memorandum of Association
<b>Management Rules</b>	The Companies (Management and Administration) Rules, 2014, as amended
<b>Non-Resident Shareholders</b>	Equity Shareholders other than resident Equity Shareholders including Non-Resident Indians (NRI), Foreign Institutional Investor (FII), Foreign Portfolio Investors (FPI), foreign corporate bodies (including erstwhile Overseas Corporate

<b>Term</b>	<b>Description</b>
	Bodies) (OCBs) 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, 2016, as amended.
<b>NSE</b>	National Stock Exchange of India Limited
<b>OCB</b>	Overseas Corporate Bodies
<b>Offer Period / Tendering Period / Buyback Offer Period</b>	Period of Ten (10) Working Days from the Buyback Opening Date i.e. [●] till Buyback Closing Date i.e. [●] (both days inclusive)
<b>Promoter and Persons in Control / Members of Promoter and Promoter Group /</b>	Gautam N. Mehra, Gautam N. Mehra (on behalf of Mehra Syndicate, AOP), Gautam N. Mehra (as Trustee of Siddharth Mehra Trust), Gautam N. Mehra (as Trustee of Simran Family Trust), Gautam N. Mehra (as Trustee of Lord Krishna), Gautam N. Mehra (as Trustee of NKM Grand Children Trust), Gautam N. Mehra (as Karta of G. N. Mehra HUF), Gautam N. Mehra (as Karta of N. K. Mehra HUF), Reshma Gautam Mehra, Simran Mehra, Siddharth Mehra, Ritu Satsangi, Atul Gurparshad Satsangi, Khatri Investments Private Limited, Mansukhmal Investments Private Limited, Kurla Trading Company Private Limited, Naved Investment and Trading Company Private Limited, Basant Lok Trading Company, Chemi Pharmex Private Limited
<b>Public Announcement / PA</b>	Public announcement dated May 30, 2019 (Thursday) in relation to the Buyback made by the Company which was published on May 31, 2019 (Friday) in Financial Express (English national daily), Jansatta (Hindi national daily ) and Mumbai Lakshadeep (Regional language daily –Marathi)
<b>PAN</b>	Permanent Account Number
<b>Ratio of Buyback</b>	The ratio of the buyback for the Equity Shares held by Eligible Sellers as on Record Date: (i) in case of Small Shareholders, [●] Equity Shares for every [●] Equity Shares; and (ii) in case of Eligible Sellers other than Small Shareholders, [●] Equity Shares for every [●] 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 Sellers 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 and in terms of this Draft Letter of Offer. The Record Date for the Buyback is Wednesday, June 12, 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>Savita/We/Our Company</b>	Savita Oil Technologies Limited
<b>SEBI</b>	The Securities and Exchange Board of India
<b>Seller Member(s)</b>	A stockbroker (who is a member of the BSE) of an Eligible Seller, through whom the Eligible Seller may participate in the Buyback
<b>Share Capital Rules</b>	The Companies (Share Capital and Debentures) Rules, 2014, as amended
<b>Small Shareholder</b>	An Eligible Seller who holds Equity Shares of market value not more than Rs. 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 Gain
<b>Stock Exchanges</b>	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
<b>Tender Form</b>	Form of Acceptance–cum–Acknowledgement to be filled in and sent to the Registrar by the Eligible Sellers to participate in the Buyback
<b>Tender Offer</b>	Method of Buyback as defined in Regulation 2(i)(q) read with Regulation 9(vii) of the Buyback Regulations using stock exchange mechanism
<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 this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this 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 this Draft Letter of Offer. The Manager to the Buyback, i.e. ITI Capital Limited (formerly Inga Capital Limited), has certified that the disclosures made in this 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 Sellers 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 this offer document, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, has furnished to SEBI a Due Diligence Certificate dated June 07, 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 published in the newspapers on May 31, 2019 (the “**Public Announcement**”) and the draft letter of offer dated June 07, 2019 (“**DLOF**”). 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 SEBI (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 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, as amended.”
- 3.3. The filing of Draft Letter of Offer 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 Buyback.
- 3.4. The Promoters and Persons in Control and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Sellers has been suppressed, withheld and/ or incorporated in the manner that would amount to mis-statement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed, withheld and/ or amounts to a mis-statement or misrepresentation, the Promoters and Directors and the Company shall be liable for penalty in terms of the provisions of the Act and the Buyback Regulations.
- 3.5. The Promoter and Persons in Control 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 May 31, 2019 (Friday) and this Draft 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. This Draft Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe /

purchase / sell, any securities of the Company in any jurisdiction or as a solicitation or an invitation in any form to subscribe / purchase / sell any securities including the Equity Shares of the Company.

- 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 Equity Shareholders whose names appear in the register of members of the Company, as on the Record Date. However, receipt of the Letter of Offer by any Eligible Seller 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 Seller 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 Seller 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.
- d) **The Buyback is being made for securities of an Indian company and is subject to the laws of India. It is important for U.S. securities holders to be aware that this Draft Letter of Offer is subject to tender offer laws and regulations in India that are different from those in the U.S. and has been prepared in accordance with Indian law, format and style, which differs from customary U.S. format and style. This Draft Letter of Offer, does not in any way, constitute an offer to sell, or an invitation to sell, or buy any securities in the United States of America, or in any other jurisdiction in which offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe such restrictions.**

### 3.7. Forward Looking Statements

This Draft Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘will’, ‘will continue’, ‘will pursue’ or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in which the Company operates and its ability to respond to them, the Company’s ability to successfully implement its strategy, its growth and expansion, technological changes, exposure to market risks, general economic and political conditions in India or other key markets where it operates which have an impact on its business activities or investments, the monetary and fiscal policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

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

The Buyback through Tender Offer using stock exchange mechanism was considered and approved by the Board of Directors of the Company at their meeting held on Wednesday, May 29, 2019. The extract of the resolution of the Board is as follows:

**“RESOLVED THAT** pursuant to the provisions of 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 Debentures) Rules, 2014, (**“Share Capital Rules”**) the Companies (Management and Administration) Rules, 2014, as amended (**“Management Rules”**) to the extent applicable and other applicable rules made under Companies Act, provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

“**LODR Regulations**”) 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 amendment(s), statutory modification(s) or re-enactment(s) for the time being in force, and subject to all such approvals, permissions and sanctions Securities and Exchange Board of India (“**SEBI**”), Ministry of Corporate Affairs/ Registrar of Companies, Mumbai (the “**ROC**”) and/ or other authorities, institutions or bodies (the “**Appropriate Authorities**”), as may be necessary and subject to such conditions and modification(s), if any, as may be prescribed or imposed while granting such approvals, permissions and sanctions by the Appropriate Authorities, 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), the approval of the Board be and is hereby accorded to the buyback by the Company of up to **2,51,000** fully paid-up equity shares of face value of Rs.10/- (Rupees Ten Only) each of the Company (“**Equity Shares**”) representing upto **1.75%** of the total number of equity shares in the total paid-up equity capital of the Company at a price of **Rs.1,605/-** (Rupees One Thousand Six Hundred Five only) per Equity Share (“**Buyback Price**”) (including premium of **Rs. 1,595/-** per Equity Share) payable in cash for an aggregate consideration not exceeding **Rs.40,28,55,000/-** (Rupees Forty Crore Twenty Eight Lakh Fifty Five Thousand only) (excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc.) (“**Buyback Size**”), which is 4.74 % of the fully paid-up equity share capital and free reserves (including securities premium) as per the latest standalone audited balance sheet of the Company for the financial year ended March 31, 2019 and is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up equity share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act and Buyback Regulations from the equity shareholders of the Company, as on the record date on a proportionate basis through the tender offer (“**Tender Offer**”) as prescribed under the Buyback Regulations, to all of the equity shareholders / beneficial owners who hold Equity Shares as of a Record Date (as defined below)(“**Buyback**”). 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 and National Stock Exchange of India Limited (“**Stock Exchanges**”), public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.”

“**RESOLVED FURTHER THAT** approval of the Board be and is hereby accorded to consider **Wednesday, 12<sup>th</sup> June, 2019** as the record date for the purposes of determining eligibility of shareholders (“**Record Date**”)” to participate in the Buyback including promoters and promoter group including persons in control of the Company to the extent intended as per the Letter of Intention received from the promoter and promoter group including person in control of the Company.”

“**RESOLVED FURTHER THAT** the reservation of Equity Shares be made in the Buyback for small shareholders / beneficial owners of the Company as on Record Date in accordance with the provisions of the Buyback Regulations.”

“**RESOLVED FURTHER THAT** the Company shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” 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, BSE notice no. 20170202-34 dated February 2, 2017 and BSE notice no. 20170210-16 dated February 10, 2017 and such other circulars or notifications as may be issued from time to time.”

“**RESOLVED FURTHER THAT** the Buy-Back from Eligible Shareholders who are non-residents members holding Equity Shares of the Company, foreign corporate bodies (including erstwhile Overseas Corporate Bodies) (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) and shareholders of foreign nationality, etc. shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended and the rules and regulations framed thereunder, if any.”

“**RESOLVED FURTHER THAT** Company has complied and shall continue to comply with Section 70 of the Companies Act, 2013 wherein:

- a) It shall not directly or indirectly purchase its own shares:
  - i. through any subsidiary company including its own subsidiary companies; or
  - ii. through any investment company or group of investment companies; or



- b) There are no defaults subsisting in the repayment of deposits, 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.
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the LODR Regulations.”

“**RESOLVED FURTHER THAT** the amount required by the Company for the Buyback is intended to be met out of Company’s internal accruals / reserves and surplus and firm financial resources and such other sources as may be permitted by law (and not from any borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in the Buyback) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.”

“**RESOLVED FURTHER THAT** in terms of Regulation 24 (iii) of the Buyback Regulations, Mr. Uday C. Rege, Company Secretary & Executive VP - Legal and Compliance Officer, be and is hereby 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, 2019 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 Mr. Gautam N. Mehra, Chairman & Managing Director, Mr. Siddharth G. Mehra, Whole-time Director and Mr. Suhas M. Dixit, Whole-time Director and Chief Financial Officer of the Company, be and are hereby severally 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 Exchanges and the SEBI in accordance with applicable law.”

“**RESOLVED FURTHER THAT** the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- a) immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) as regards its prospects for the year immediately following that date of this Board Meeting having regard to the Board’s intentions with respect of the management of the Company’s business during that year and to the amount and character of the financial resources which will in its 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
- c) In forming opinion for the above purposes, the Board of Directors has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).”

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

- a) all the Equity Shares of the Company are fully paid-up;
- b) the Buyback Size i.e. **Rs.40,28,55,000/-** (Rupees Forty Crore Twenty Eight Lakh Fifty Five Thousand Only) which does not exceed 10% of the paid-up equity share capital and free reserves as per the latest standalone audited financial statements for the year ended March 31, 2019;
- c) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. **2,51,000** equity shares, does not exceed 25% of the total number of equity shares in the paid-up share capital of the Company;
- d) the Company shall not raise further capital for a period of one year from the closure of the Buyback, except in discharge of subsisting obligations;

- e) the Company shall not issue fresh shares or other specified securities during the Buyback period, whether by way of bonus issue or in the discharge of subsisting obligations, such as conversion of convertible loans, convertible instruments, stock options or otherwise;
- f) 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;
- g) 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;
- h) there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loans or interest payable to any financial institution or banks;
- i) the Company has not made any offer of buyback within a period of one year reckoned from the date of expiry of buyback period of the preceding offer of buy-back of the Buyback; i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- j) the Company shall not make any offer of buyback within a period of one year reckoned from the date of closure of the Buyback; i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- k) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013 ; and
- l) after the Buyback, the ratio of the aggregate of secured and unsecured debts owed by the Company as on March 31, 2019, shall not be more than twice the paid-up share capital and free reserves as on March 31, 2019, and as adjusted for buyback, as prescribed under the Companies Act, 2013 and rules made thereunder and Buyback Regulations.”
- m) the Company shall not withdraw the Buy-Back after the public announcement of the offer to Buy-Back is made.”

**“RESOLVED FURTHER THAT** a committee comprising of Mr. Gautam N. Mehra, Chairman & Managing Director, Mr. Siddharth G. Mehra, Whole-time Director, Mr. Suhas M. Dixit, Whole-time Director and Chief Financial Officer and Mr. Uday C. Rege, Company Secretary & Executive VP - Legal and Compliance Officer (**“Buyback Committee”**) be constituted and the members thereof are **authorised severally**, 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:

- (i) 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;
- (ii) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- (iii) 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;
- (iv) preparation, signing and filing of public announcement, the draft letter of offer / letter of offer with the SEBI, Registrar of Companies, the Stock Exchange and other appropriate authority;
- (v) 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;

- (v) making all applications to the appropriate authority for their requisite approvals including approvals as may be required from the Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations framed there under, if any;
- (vii) 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;
- (viii) appoint any Merchant Bankers, Brokers, Registrars, Advertising Agency and such other intermediaries/agencies for implementation of Buyback as may be required and enter into agreements / letters in respect thereof;
- (ix) to decide the 'designated stock exchange' for the Buy-Back;
- (x) 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;
- (xi) obtaining all necessary certificates and reports from Statutory Auditors and other third parties as required under applicable law;
- (xii) 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" 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.;
- (xiii) to 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.
- (xiv) to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper;
- (xv) 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."

**"RESOLVED FURTHER THAT** approval of the Board be and is hereby accorded on appointment of 'ITI Capital Limited (category-I merchant banker)' as Manager to the Buyback."

**"RESOLVED FURTHER THAT** any of the above Directors or the Company Secretary of the Company, be and is hereby severally authorised to sign and file certified copy of the resolution with the Registrar of Companies, 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 of the Buyback Regulations, the Company has made the Public Announcement dated May 30, 2019 (Thursday) for the Buyback of Equity Shares which was published within two Working Days i.e. on May 31, 2019 (Friday) from the date of passing of the resolution at the meeting of the Board of Directors held on May 29, 2019 (Wednesday) in the following newspapers:

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

*(A copy of this Public Announcement is available on the website of the Company at [www.savita.com](http://www.savita.com) and expected to be available on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) and on the website of stock exchanges at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) during the period of the Buyback.)*

## 6. DETAILS OF THE BUYBACK

- 6.1. Board of Directors of Savita Oil Technologies Limited (the “**Company**”) (the Board of Directors of the Company hereinafter referred to as the “**Board**”), at their meeting held on May 29, 2019 (“**Board Meeting**”), pursuant to the provisions of Article 8A of Articles of Association of the Company and Sections 68, 69 and 70 and all other applicable provisions of the Companies Act, 2013, as amended (the “**Act**”), the Companies (Share Capital and Debentures) Rules, 2014, as amended (“**Share Capital Rules**”) the Companies (Management and Administration) Rules, 2014, as amended (“**Management Rules**”) to the extent applicable and other applicable rules made under Act, provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**LODR Regulations**”) 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 any committee authorised by the Board, approved the Buyback not exceeding 2,51,000 (Two Lakh Fifty One Thousand) Equity Shares (representing upto about 1.75% of the total number of Equity Shares of the Company) at a price of Rs.1605/- (Rupees One Thousand Six Hundred and Five Only) (including premium of Rs.1595/-) per Equity Share (“**Buyback Price**”), payable in cash for an aggregate amount of upto Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only) (“**Buyback Size**”) excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc., (“**Transaction Cost**”) which represents 4.74% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone balance sheet of the Company as on March 31, 2019 on a proportionate basis through the tender offer (“**Tender Offer**”) as prescribed under the Buyback Regulations from all the equity shareholders/ beneficial owners of the Company who hold Equity Shares as on the record date i.e. Wednesday, June 12, 2019 (“**Record Date**”) (“**Eligible Sellers**”) (“**Buyback or Buyback Offer**”). The Buyback size is within the statutory limit of 10% (Ten Percent) of the aggregate of the fully paid up equity share capital and free reserves as per the latest standalone audited balance sheet as at March 31, 2019 applicable for the Board approval route in accordance with provisions of the Act and Buyback Regulations. The Buyback Size does not include any other expenses incurred or to be incurred for the Buyback including expenses towards filing fees payable to Securities and Exchange Board of India , fees and charges payable to Stock Exchanges, Public Announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.
- 6.2. The aggregate fully paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone balance sheet of the Company as on March 31, 2019 is Rs. 85013.26 lakhs. The funds deployed for Buyback shall not exceed 10% of fully paid-up equity share capital and free reserves (including securities premium account) of the Company under the Board approval route, as provided under the proviso to Section 68(2)(b) of the Act. Accordingly, the maximum amount that can be utilised in the present Buyback is Rs. 8501.33 lakhs. The Company has proposed to utilise an aggregate amount of upto Rs. 4028.55 lakhs for the Buyback which is within the maximum amount as aforesaid and which represents 4.74% of fully paid-up equity share capital and free reserves (including securities premium account) of the Company. The Company does not have any subsidiary and hence consolidated financial statements are not required to be prepared.
- 6.3. The shareholding of the promoter and promoter group (“**Promoter and Persons in Control**”) as on the date of the Public Announcement i.e. May 30, 2019 is given below:

Sr. No	Name of Shareholder	No of Equity Shares	Percentage %
<b>Promoter and Promoter Group</b>			
1	Gautam N. Mehra	72,831	0.51
2	Gautam N. Mehra (on behalf of Mehra Syndicate, AOP)	90,10,727	62.91
3	Gautam N. Mehra (as Trustee of Siddharth Mehra Trust)	66,666	0.47
4	Gautam N. Mehra (as Trustee of Simran Family Trust)	16,624	0.12
5	Gautam N. Mehra (as Trustee of Lord Krishna)	32,146	0.22
6	Gautam N. Mehra (as Trustee of NKM Grand Children Trust)	1,166	0.01
7	Gautam N. Mehra (as Karta of G. N. Mehra HUF)	84,832	0.59
8	Gautam N Mehra (as Karta of N. K. Mehra HUF)	33,333	0.23
9	Reshma Gautam Mehra	33,416	0.23
10	Simran Mehra	30,500	0.21
11	Siddharth Mehra	583	0.00
12	Ritu Satsangi	7,749	0.05
13	Atul Gurparshad Satsangi	666	0.00
14	Khatri Investments Private Limited	4,27,611	2.99
15	Mansukhmal Investments Private Limited	4,10,000	2.86
16	Kurla Trading Company Private Limited	13,666	0.10
17	Naved Investment and Trading Company Private Limited	9,452	0.07
18	Basant Lok Trading Company	6,166	0.04
19	Chemi Pharmex Pvt. Ltd	1,000	0.01
<b>Grand Total</b>		<b>1,02,59,134</b>	<b>71.63</b>

- 6.4. As on the date of Public Announcement i.e. May 30, 2019 none of the Directors of the companies forming part of promoter group hold any Equity Shares in the Company except the following:

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage %
<b>Khatri Investments Private Limited</b>			
1.	Gautam N. Mehra (in his individual capacity) (refer note 1 below)	72,831	0.51
2.	Reshma G. Mehra	33,416	0.23
3.	Siddharth G. Mehra	583	0.00
<b>Mansukhmal Investments Private Limited</b>			
1.	Gautam N. Mehra (in his individual capacity) (refer note 1 below)	72,831	0.51
2.	Reshma G. Mehra	33,416	0.23
3.	Siddharth G. Mehra	583	0.00
<b>Kurla Trading Company Private Limited</b>			
1.	Gautam N. Mehra (in his individual capacity) (refer note 1 below)	72,831	0.51
2.	Reshma G. Mehra	33,416	0.23
3.	Siddharth G. Mehra	583	0.00
4.	C. V. Alexander	833	0.00
<b>Naved Investment and Trading Company Private Limited</b>			
1.	Gautam N. Mehra (in his individual capacity) (refer note 1 below)	72,831	0.51
2.	Reshma G. Mehra	33,416	0.23

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage %
3.	Siddharth G. Mehra	583	0.00
<b>Basant Lok Trading Company</b>			
1.	Gautam N. Mehra (in his individual capacity) (refer note 1 below)	72,831	0.51
2.	Reshma G. Mehra	33,416	0.23
3.	Siddharth G. Mehra	583	0.00
<b>Chemi Pharmex Private Limited</b>			
1.	Gautam N. Mehra (in his individual capacity) (refer note 1 below)	72,831	0.51
2.	Reshma G. Mehra	33,416	0.23
3.	Simran G. Mehra	30,500	0.21

#### Note 1

**Additionally, Mr. Gautam N. Mehra holds Equity Shares of the Company in various capacity, details whereof are given in the following table:**

Name of the Director	No. of shares held	Percentage (%)
Gautam N. Mehra (on behalf of Mehra Syndicate AOP)	90,10,727	62.91
Gautam N. Mehra (as Trustee of Siddharth Mehra Trust)	66,666	0.47
Gautam N. Mehra (as Trustee of Simran Family Trust)	16,624	0.12
Gautam N. Mehra (as Trustee of Lord Krishna)	32,146	0.22
Gautam N. Mehra (as Trustee of NKM Grand Children Trust)	1,166	0.01
Gautam N. Mehra (as Karta of G. N. Mehra HUF)	84,832	0.59
Gautam N. Mehra (as Karta of N. K. Mehra HUF)	33,333	0.23

- 6.5. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Persons in Control have the option to participate in the Buyback. In this regard, some of the Promoter and Persons in Control vide their letters dated May 29, 2019, have expressed their intention to tender Equity Shares in the Buy-back and offer upto an aggregate maximum number of 90,42,873 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations / terms of Buyback. Their maximum participation in the Buyback has been detailed in paragraph 9.2, 9.3 and 9.4 of this DLOF.
- 6.6. The pre-Buyback shareholding of Promoter and Persons in Control of the Company is 71.63 % of the total number of outstanding Equity Shares of the Company and assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion of their respective Buyback Entitlement, post-Buyback shareholding of Promoter and Persons in Control of the Company will be [●]% of the total number of outstanding Equity Shares of the Company. For details with respect to aggregate shareholding of Promoter and Persons in Control post-Buyback please refer paragraph 13.6 of this DLOF.
- 6.7. The Company confirms that on completion of the Buyback, the shareholding of the Equity Shareholders other than Promoter and Persons in Control shall not fall below the minimum level required as per the Regulation 38 of the LODR Regulations.

## **7. AUTHORITY FOR THE BUYBACK**

- 7.1. The Buyback is being undertaken by the Company in accordance with the provisions of Article 8A of Articles of Association of the Company and Section 68, 69 and 70 and all other applicable provisions of the Companies Act, 2013, Share Capital Rules and Management Rules to the extent applicable and other applicable rules made under Companies Act, 2013, provisions of LODR Regulations 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 any committee authorised by the Board in this regards.
- 7.2. The Buyback has been duly authorized by a resolution passed by the Board of Directors at their meeting held on May 29, 2019. Since the Buyback Size is less than 10% (ten percent) of the paid-up equity share capital and free reserves (including securities premium account) of the Company under the board of directors approval route, as provided under the proviso to Section 68(2)(b) of the Act, the approval of the Equity Shareholders of the Company is not required.

## **8. NECESSITY OF THE BUYBACK**

- 8.1. The Board at its meeting held on May 29, 2019, considered all relevant factors, including the strategic and operational cash requirements in the medium term, present debt to equity ratio of the Company, the increase in accumulated free reserves and considered it appropriate to allocate a sum not exceeding Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only) (excluding Transaction Costs) for distributing to the Shareholders holding Equity Shares on the Record Date, through the Buyback. In line with the above and with an objective of enhancing the shareholders returns, the Board decided to recommend Buyback at a price of Rs. 1605/- (Rupees One Thousand Six Hundred and Five Only) per Equity Share for an aggregate consideration of upto Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only).
- 8.2. The Buyback is being proposed by the Company to service the equity more efficiently. Additionally, the Company's management strives to increase equity shareholders value and the Buyback would result in amongst other things:
- a) The Buyback may help in improving earnings per share, return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
  - b) The Buyback gives an option to the equity shareholders, who can either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback; or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without additional investment;
  - c) The Buyback, which is being implemented through the Tender Offer as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the Small Shareholders. The Company believes that this reservation for Small Shareholders would benefit a large number of public shareholders, who would get classified as Small Shareholder.

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

- 9.1. We believe that 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 Sellers in proportion of their respective Buyback Entitlement, the funds deployed by the Company towards the Buyback would be Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only).
- 9.2. In terms of the Buyback Regulations, under the tender offer, the Promoter and Persons in Control have the option to participate in the Buyback. In this regard, some of the Promoter and Persons in Control vide their letters dated May 29, 2019 have expressed their intention to tender Equity Shares in the Buy-back.
- 9.3. The maximum number of Equity Shares to be tendered by the Promoter and Persons in Control who have expressed their intention to tender Equity Shares in the Buyback is as under:

Sr. No.	Name of the Promoter and Persons in Control	Maximum Number of Equity Shares which may be tendered
1.	Gautam N. Mehra (on behalf of Mehra Syndicate AOP)	90,10,727
2.	Gautam N. Mehra (as Trustee of Lord Krishna)	32,146
<b>Total</b>		<b>90,42,873</b>

9.4. Details of the date and price of the Equity Shares allotted/acquired/credited/transferred/transmitted to the Promoter and Persons in Control, which are intended to be tendered, are set-out as below:

**i. Gautam N. Mehra (on behalf of Mehra Syndicate AOP) :**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Consideration (Rs.)
28.06.1980	Sub-division of Equity Shares	30,000	10	10.00	3,00,000.00
09.06.1993	conversion of Preference Shares into Equity Shares	1,84,620	10	10.00	18,46,200.00
21.03.1994	Bonus Issue	51,50,880	10	-	-
01.04.1997	Conversion of Fully Convertible Debenture into Equity Shares	36,250	10	10.00	3,62,500.00
31.01.1995	Purchase	700	10	168.65	1,18,055.00
31.01.1995	Purchase	300	10	169.20	50,760.00
01.02.1995	Purchase	2,000	10	171.70	3,43,400.00
01.02.1995	Purchase	2,500	10	169.15	4,22,875.00
09.02.1995	Purchase	2,000	10	169.20	3,38,400.00
09.02.1995	Purchase	1,200	10	169.20	2,03,040.00
09.02.1995	Purchase	300	10	169.20	50,760.00
09.02.1995	Purchase	800	10	169.20	1,35,360.00
10.02.1995	Purchase	5,000	10	169.70	8,48,500.00
13.02.1995	Purchase	10,000	10	163.60	16,36,000.00
15.02.1995	Purchase	500	10	156.55	78,275.00
15.02.1995	Purchase	300	10	156.55	46,965.00
15.02.1995	Purchase	100	10	156.55	15,655.00
15.02.1995	Purchase	100	10	156.55	15,655.00
15.02.1995	Purchase	500	10	156.55	78,275.00
15.02.1995	Purchase	500	10	156.55	78,275.00
16.02.1995	Purchase	10,000	10	155.30	15,53,000.00
16.03.1995	Purchase	2,900	10	176.90	5,13,012.00
16.03.1995	Purchase	2,100	10	177.65	3,73,065.00
16.03.1996	Purchase	300	10	61.60	18,480.00
18.03.1996	Purchase	100	10	60.60	6,060.00
19.03.1996	Purchase	100	10	61.00	6,100.00
19.03.1996	Purchase	400	10	62.60	25,040.00
19.03.1996	Purchase	100	10	62.60	6,260.00
22.03.1996	Purchase	500	10	60.60	30,300.00
26.03.1996	Purchase	200	10	58.60	11,720.00
04.04.1996	Purchase	100	10	60.60	6,060.00
11.04.1996	Purchase	1,900	10	61.63	1,17,097.00
15.04.1996	Purchase	5,000	10	62.60	3,13,000.00
26.04.1996	Purchase	200	10	64.65	12,930.00
26.04.1996	Purchase	1,000	10	65.65	65,650.00
30.04.1996	Purchase	700	10	64.30	45,012.00
12.05.1996	Purchase	2,600	10	60.19	1,56,482.44
15.05.1996	Purchase	4,300	10	61.87	2,66,055.00
15.05.1996	Purchase	800	10	64.21	51,365.00
21.05.1996	Purchase	4,100	10	64.13	2,62,924.00



27.05.1996	Purchase	3,800	10	61.27	2,32,831.85
28.05.1996	Purchase	1,400	10	61.25	85,745.00
04.06.1996	Purchase	800	10	64.56	51,646.00
10.06.1996	Purchase	2,500	10	61.63	1,54,072.00
11.06.1996	Purchase	3,400	10	63.54	2,16,030.00
19.06.1996	Purchase	1,500	10	51.08	76,627.11
23.06.1996	Purchase	2,600	10	66.08	1,71,817.53
25.06.1996	Purchase	2,200	10	54.26	1,19,366.30
02.07.1996	Purchase	3,200	10	67.00	2,14,400.00
06.07.1996	Purchase	4,000	10	64.82	2,59,295.11
09.07.1996	Purchase	2,700	10	64.00	1,72,800.00
11.07.1996	Purchase	1,400	10	61.71	86,387.00
12.07.1996	Purchase	2,000	10	60.34	1,20,683.00
24.07.1996	Purchase	1,300	10	64.00	83,200.00
26.07.1996	Purchase	200	10	60.39	12,077.00
29.07.1996	Purchase	700	10	59.39	41,570.00
30.07.1996	Purchase	400	10	54.98	21,993.00
17.07.1996	Purchase	500	10	60.50	30,248.00
18.07.1996	Purchase	100	10	62.69	6,268.65
19.07.1996	Purchase	200	10	63.19	12,637.00
21.07.1996	Purchase	3,800	10	62.10	2,35,976.00
22.07.1996	Purchase	100	10	63.74	6,374.00
23.07.1996	Purchase	200	10	63.34	12,667.00
30.07.1996	Purchase	200	10	64.00	12,800.00
04.08.1996	Purchase	700	10	59.52	41,661.38
13.08.1996	Purchase	400	10	61.85	24,740.00
21.08.1996	Purchase	4,800	10	36.11	1,73,351.00
22.08.1996	Purchase	2,300	10	36.64	84,266.89
19.08.1996	Purchase	300	10	41.30	12,390.00
27.09.1996	Purchase	1,600	10	35.23	56,363.00
30.09.1996	Purchase	1,500	10	35.36	53,040.00
17.08.1996	Purchase	200	10	50.77	10,153.00
23.09.1996	Purchase	100	10	41.50	4,150.00
28.10.1996	Purchase	100	10	39.00	3,900.00
16.12.1996	Purchase	400	10	43.00	17,200.00
28.02.2007	Bonus Issue	36,78,365	10	-	-
01.02.2011	Purchase	184	10	505.31	92,977.04
01.02.2011	Purchase	413	10	508.49	2,10,006.37
02.02.2011	Purchase	54	10	509	27,486.00
02.02.2011	Purchase	174	10	511.98	89,084.52
04.02.2011	Purchase	130	10	505.45	65,708.50
04.02.2011	Purchase	42	10	505.45	21,228.90
07.02.2011	Purchase	804	10	508.49	4,08,825.96
07.02.2011	Purchase	494	10	509.32	2,51,604.08
08.02.2011	Purchase	875	10	508.35	4,44,806.25
08.02.2011	Purchase	635	10	508.49	3,22,891.15
09.02.2011	Purchase	800	10	503.77	4,03,016.00
09.02.2011	Purchase	1,000	10	502.96	5,02,960.00
25.03.2011	Purchase	1,010	10	480.13	4,84,931.30
28.03.2011	Purchase	841	10	486.37	4,09,037.17
23.03.2018	Buyback of equity shares	(30,000)	10	1605.00	48150000.00
23.03.2018	Buyback of equity shares	(1,62,489)	10	1605.00	26,07,94,845.00
23.03.2018	Buyback of equity shares	(155)	10	1605.00	2,48,775.00
	<b>Total</b>	<b>90,10,727</b>			

ii. **Gautam N. Mehra (as Trustee of Lord Krishna):**

<b>Date of Transaction</b>	<b>Nature of Transaction</b>	<b>No. of Equity Shares</b>	<b>Face Value (Rs.)</b>	<b>Issue/ Acquisition Price (Rs.)</b>	<b>Consideration (Rs.)</b>
01.04.1997	Conversion of Fully Convertible Debentures	19,700	10	10.00	1,97,000.00
28.02.2007	Bonus Issue	13,133	10	-	-
23.03.2019	Buyback of equity shares	(687)	10	1605.00	11,02,635.00
	<b>Total</b>	<b>32,146</b>			

- 9.5. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post the Buyback may increase to [●] % from 71.63% prior to Buyback. Please refer to paragraph 13.6 for further details.
- 9.6. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Equity Shareholders other than Promoter and Persons in Control, post the Buyback may decrease to [●] % from 28.37% prior to Buyback. Please refer to paragraph 13.6 for further details.
- 9.7. The members of promotor and promoter group are already in control over the Company and therefore such further increase or decrease in voting rights of the members of promotor and promoter group will not result in any change in control over the Company.
- 9.8. 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 13.6 for further details.
- 9.9. The Company confirms that as required under section 68(2)(d) of the Companies Act, 2013 the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up share capital and free reserves as on March 31, 2019 after the Buyback.
- 9.10. We believe that the Buyback is not expected to impact growth opportunities for the Company.
- 9.11. The Promoter and Persons in Control of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoter and Persons in Control during the period from the date of passing the board resolution till the closing of the Buyback.
- 9.12. The Company shall not issue any new Equity Shares or other specified securities including by way of bonus till the date of expiry of the buyback period.
- 9.13. The Company shall not raise further capital for a period of one year from the date of expiry of the buyback period 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.
- 9.14. Salient financial parameters consequent to the Buyback based on the latest audited standalone financial statements for the period ended on March 31, 2019 are as under:

<b>Parameters</b>	<b>Based on Standalone Financial Statements</b>	
	<b>Pre Buyback</b>	<b>Post Buyback</b>
Net Worth (Rs. in Lakhs) <sup>(1)</sup>	85,160.48	81,131.93
Profit After Tax (Rs. In Lakhs)	11,427.01	11,427.01
Return on Net Worth <sup>(2)</sup>	13.42%	14.08%
Earnings Per Share (EPS) (Basic) (in Rs.) <sup>(3)(4)</sup>	79.79	81.21
Book Value per Equity Share (in Rs.) <sup>(5)</sup>	594.61	576.59
Price Earnings (PE) Multiple <sup>(6)</sup>	14.92	14.66
Debt/ Equity ratio <sup>(7)</sup>	0.01	0.01

- 1) Net Worth is equal to Equity Share Capital + Other Equity
- 2) Return on Net Worth = Net Profit / (Loss) after Tax / Net worth
- 3) Earnings per Share = Net Profit / (Loss) after Tax Attributable to Equity Shareholders / Weighted number of Equity Shares outstanding
- 4) EPS post Buyback is computed after reducing 2,51,000 Equity Shares to be bought back under the Buyback from weighted average number of Equity Shares outstanding
- 5) Book value per Equity Share = Net worth / Number of Equity Shares
- 6) PE Multiple = Market Value per Equity Share as on March 28, 2019 (being last trading day of the financial year) on NSE / EPS as per latest audited financial statements as on March 31, 2019
- 7) Debt-Equity Ratio = Debt / Equity (Equity Share Capital + Other Equity)

## **10. BASIS OF CALCULATING THE BUYBACK PRICE**

- 10.1. The Equity Shares are proposed to be bought back at a price of Rs.1605/- (Rupees One Thousand Six Hundred and Five Only) per Equity Share.
- 10.2. The Buyback Price of Rs. 1605/- (Rupees One Thousand Six Hundred and Five Only) per Equity Share has been arrived at after considering various factors including, but not limited to, the volume weighted average market price of the Equity Shares on the NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) during 3 (three) months preceding the date of the intimation of the Board Meeting i.e. May 22, 2019, the closing market price on the date of the intimation of the Board Meeting i.e. May 22, 2019 and the impact on the net worth of the Company and possible impact of Buyback on earnings and return on net worth per Equity Share.
- 10.3. The Buyback Price represents a premium of 41.24% over the volume weighted average market price of the Equity Shares on the NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) for 3 (three) months preceding the date of the intimation of the Board Meeting i.e. May 22, 2019 which was Rs.1136.38. The closing market price of the Equity Shares as on the date of the intimation of the Board Meeting i.e. May 22, 2019 was Rs. 1073.30 on NSE and the closing price of the Equity Shares on May 21, 2019 was Rs. 1085.55 on BSE (Since Equity Shares of the Company were not traded on BSE on May 22, 2019 i.e. the date of the intimation of the Board Meeting, therefore the closing price on May 21, 2019, a day preceding the date of intimation of Board Meeting has been disclosed).
- 10.4. The Buyback Price is 2.70 times of the book value per Equity Share of the Company as on March 31, 2019 which was Rs. 594.61 per Equity Share based on latest audited standalone financial statements of the Company.
- 10.5. The earnings per Equity Share (basic) of the Company prior to the Buyback, for the period ended March 31, 2019 was Rs. 79.79 per Equity Share based on latest audited standalone financial statements of the Company. Assuming full acceptance under the Buyback, the earnings per Equity Share (basic) of the Company for the period ended March 31, 2019 will be Rs. 81.21 per Equity Share based on latest audited standalone financial statements of the Company post the Buyback.
- 10.6. The return on net worth per Equity Share prior to the Buyback, for the period ended March 31, 2019 was 13.42% per Equity Share based on latest audited standalone financial statements of the Company. Assuming full acceptance under the Buyback, the return on net worth per Equity Share for the year ended March 31, 2019 will be 14.08% per Equity Share based on latest audited standalone financial statements post 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 Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only), excluding the Transaction Costs.
- 11.2. The funds for the Buyback will be sourced from adequate internal accruals/reserves and surplus and firm financial resources of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds 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 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 details of such transfer shall be disclosed in its subsequent audited standalone financial statements.

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

- 12.1. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed [●] 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 [●], 2019, pursuant to which the Escrow Account in the name and style “[●]” bearing account number [●] has been opened with the Escrow Agent at its branch office located at [●], the Company will deposit Rs. [●] in the Escrow Account, in terms of the Buyback Regulations. The Manager has been empowered 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 has been certified vide a certificate dated May 29, 2019 by Mr. Chetan R. Sapre, Partner of G. D. Apte & Co., Chartered Accountants (Firm Registration No. 100515W), having their office at 83-87, 8<sup>th</sup> Floor, Mittal Tower, B wing, Nariman Point, Mumbai – 400 021, Telephone No. +91 22 4922 0555 and Fax No. +91 22 4922 0505.
- 12.3. Based on the aforementioned 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 and Post Buyback is as follows:

(Rs. in Lakh)			
Sr. No.	Particulars	Pre Buyback	Post Buyback*
<b>1.</b>	<b>Authorized Share Capital:</b>		
	3,00,00,000 Equity Shares of Rs.10/- each	3000.00	3000.00
<b>2.</b>	<b>Issued, Subscribed and Paid-up Capital:</b>		
	1,43,22,083 Equity Shares of Rs.10/- each	1432.21	
	1,40,71,083* Equity Shares of Rs.10/- each		1407.11

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

- 13.2. Except as mentioned below, Company did not implement any Buyback programme in the last three years:

Particulars	Financial year 2017-18
Equity Shares Bought Back	2,80,000
Buy Back Price	Rs. 1605/-
Buy Back Size	Rs.44,94,00,000/-
Method of Buyback	Tender Offer through stock exchange mechanism
Opening Date	March 01, 2018
Closing Date	March 15, 2018

- 13.3. As on date of this Draft Letter of Offer, there are no partly paid-up Equity Shares outstanding.
- 13.4. As on date of this Draft Letter of Offer, there are no outstanding securities convertible into Equity Shares.
- 13.5. As on date of this Draft Letter of Offer, there is no amount under calls in arrears.
- 13.6. The shareholding pattern of the Company (a) pre Buyback i.e. as on date of the Public Announcement; and (b) the post Buyback is as follows:

Category of Shareholder	Pre Buyback		Post Buyback*	
	Number of Shares	% to pre Buyback Equity Share capital	Number of Shares	% to post Buyback Equity Share capital
Promoter and Persons in Control	1,02,59,134	71.63	[●]	[●]
Foreign Investors (including Non-Resident Indians FPIs and Foreign Mutual Funds)	6,75,465	4.72	[●]	[●]
Financial Institutions/Banks & Mutual Funds promoted by Banks/ Institutions	16,92,669	11.82		
Others (Public, Public Bodies Corporate, etc.)	16,94,815	11.83		
<b>Total</b>	<b>1,43,22,083</b>	<b>100.00</b>	[●]	[●]

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

- 13.7. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.
- 13.8. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post the Buyback may increase to [●] % from 71.63% prior to the Buyback.
- 13.9. None of the Promoter and Persons in Control mentioned at paragraph 6.3 above have purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting i.e. May 29, 2019.
- 13.10. None of the directors of the companies forming part of promoter and promoter group mentioned at paragraph 6.4 have purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting i.e. May 29, 2019.
- 13.11. None of the Promoter and Persons in Control mentioned at paragraph 6.3 above have purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings during twelve months preceding the date of the Public Announcement i.e. May 30, 2019.
- 13.12. None of the directors of the companies forming part of promoter and promoter group mentioned at paragraph 6.4 have purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings during twelve months preceding the date of the Public Announcement i.e. May 30, 2019.

#### 14. BRIEF INFORMATION ABOUT THE COMPANY

##### 14.1. History of the Company

The Company was incorporated under the Companies Act, 1956 as a private limited company on July 19, 1961 as Stauffer Chemicals Private Limited, a certificate of incorporation to that effect was issued by Registrar of Companies, Maharashtra. Subsequently, the name of the Company was changed to Savita Chemicals Private Limited, and a certificate of change of name was issued by the Registrar of Companies, Maharashtra on February 08, 1965. The name of the Company was further changed to Savita Chemicals Limited pursuant to conversion of Company into public limited (deemed public company) under Section 43A of the Companies Act, 1956 on November 01, 1988. Further, the name of the Company was changed to its present name, Savita Oil Technologies Limited, a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai on May 19, 2009 in order to reflect its core line of business activities.

The registered office of the Company is situated at 66/67, Nariman Bhavan, Nariman Point, Mumbai – 400 021, Maharashtra. The Equity Shares of the Company were listed initially on BSE (Company Code: 524667)

with effect from 20.10.1994, NSE (Company Code: SOTL-EQ) with effect from 28.06.1995, ASE with effect from 20.10.1994 and DSE with effect from 21.10.1994. Subsequently the Equity Shares of the Company were voluntarily delisted from ASE and DSE with effect from 31.03.2005 and 22.04.2005, respectively.

The Company has three manufacturing facilities - one is located in Turbhe, Navi Mumbai, Maharashtra and the other two in Silvassa - Union Territory of Dadra & Nagar Haveli at Kharadpada and Silli. The Company's latest plant in Silli, Silvassa is a fully automated state of the art manufacturing unit that started operations in 2013. The Company is engaged in manufacturing and marketing of petroleum specialty products including transformer oils, white oils, lubricating oils, industrial oils, greases, etc. The Company has also set up a number of windmills ranging in capacities from 350 KW to 1650 KW at different sites in the states of Maharashtra, Karnataka and Tamil Nadu for generation of energy out of wind.

#### 14.2. Growth of Business

The Company's business has grown manifold from a small private company before 1994 when its turnover was a mere Rs.6,735.21 lakh to a public limited listed entity with a turnover of Rs.2,24,582.7 lakh in the financial year ended on March 31, 2019. The Company not only sells its products in the domestic market, but has been consolidating its position in overseas markets over the years. It launched its lubricating oil brand SAVSOL in the retail domestic market which has been showing consistent growth since its launch in the year 2007. The Company has been supplying its Transformer Oil to most of the electricity boards and big transformer manufacturers, Lubricating Oils to most of the leading 2 wheeler OEs and White Oils to the top FMCG companies and has developed a niche for quality products over the years.

#### 14.3. Financial Performance

- a) As per audited standalone financial statements for the financial years ended March 31, 2019, 2018, 2017, the Company recorded total income of Rs.2,28,091.73 Lakh, Rs.1,83,418.04 Lakh, Rs.1,69,631.76 Lakh, respectively,
- b) Further, As per audited standalone financial statements for the financial years ended March 31, 2019, 2018, 2017, the Company's Profit/(Loss) after tax of Rs.11,427.01 Lakh, Rs.12,619.59 Lakh, Rs.9,361.95 Lakh, respectively.

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

Sr. No.	Date of Allotment	Number of Equity Shares issued	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Cumulative number of Equity Shares	Details
1	July 19, 1961	2#	100	100	Cash	2	Subscribers to the Memorandum of Association
2	February 03, 1962	298#	100	100	Cash	300	Further Allotment
3	May 16, 1963	300#	100	100	Cash	600	Further Allotment
4	September 14, 1963	120#	100	100	Cash	720	Further Allotment
5	December 30, 1964	280#	100	100	Cash	1,000	Further Allotment
6	May 31, 1968	2,000#	100	100	Cash	3,000	Further Allotment
7	May 20, 1970	1,000#	100	100	Cash	4,000	Further Allotment
8	August 21, 1971	5,000#	100	Nil	Other than cash	9,000	Bonus in Ratio 5:4
9	August 21, 1971	1,000#	100	100	Cash	10,000	Further Allotment
10	October 09, 1978	10,000#	100	Nil	Other than cash	20,000	Bonus in Ratio 1:1
11	March 28, 1980	3,000	100	200	Cash	23,000	Further

							Allotment	
12	July 01,1985	250	100	100	Other than cash	23,250	Issued on amalgamation of Mehra Trading and Investment Company Pvt. Ltd.	
13	June 07,1993	Subdivision of Equity Shares of Rs.100/- each into 10 Equity Shares of Rs. 10/- each					2,32,500	
14	March 21,1994	55,80,000	10	Nil	Other than cash	58,12,500	Bonus in Ratio 24:1	
15	April 30,1994	62,500	10	10	Cash	58,75,000	Further Allotment	
16	October 07, 1994	23,12,100	10	110	Cash	81,87,100	Public Issue	
17	February 16, 1998	5,81,250	10	Nil	Other than cash	87,68,350	Conversion of debentures into Equity Shares	
18	March 30,1998	(7,100)	10	NA	NA	87,61,250	Forfeiture of Shares*	
19	January 22, 2007	58,40,833	10	Nil	Other than cash	1,46,02,083	Bonus in Ratio 2:3	
20	March 26, 2018	(2,80,000)	10	-	-	1,43,22,083	Buyback of equity shares	

#These equity shares were given Preferential Rights and called Preference Shares from 28.03.1980 to 06.06.1993. On 07.06.1993 Preferential Rights were withdrawn and the shares changed to Equity Shares

\*The partly paid-up shares of the Company were forfeited vide Board resolution dated March 30<sup>th</sup>, 1998

14.5. The Details of the Board of Directors of the Company as on date of Public Announcement i.e. May 30, 2019 are as follows:

Sr. No.	Name, DIN, Age and Occupation of the Director	Designation	Qualifications	*Date of Appointment/ Reappointment	Other Directorships
1	Gautam N. Mehra DIN: 00296615 Age: 57 years Occupation: Business	Chairman, Managing Director	Bachelor of Science in Engineering, Masters of Business Administration	25.03.1997	1. Savita Petro Additives Limited 2. Savita Polymers Limited 3. Savita Finance Corporation Limited 4. Chemi Pharmex Private Limited 5. Basant Lok Trading Company (A Private Company) 6. Kurla Trading Co Private Limited 7. Mansukhmal Investments Private Limited 8. Naved Investment and Trading Co Pvt. Ltd. 9. Khatri Investments Private Limited 10. Manufacturers of Petroleum Specialties Association

2	Siddharth G. Mehra <b>DIN:</b> 06454215 <b>Age:</b> 28 years <b>Occupation:</b> Business	Whole-time Director	Master of Science in Management, Bachelor of Science in Technical Systems Management	01.07.2017	1. Savita Finance Corporation Limited 2. Basant Lok Trading Company (A Private Company) 3. Kurla Trading Co Private Limited 4. Mansukhmal Investments Private Limited 5. Naved Investment and Trading Co Pvt. Ltd. 6. Khatri Investments Private Limited
3	Simran G. Mehra <b>DIN:</b> 06449809 <b>Age:</b> 29 years <b>Occupation:</b> Business	Non-Executive Director	Bachelor of Science in Business Administration , Post Graduate Programme in Management for family business	01.01.2018	1. Savita Petro Additives Limited 2. Chemi Pharmex Private Limited
4	Suhas M. Dixit <b>DIN:</b> 02359138 <b>Age:</b> 60 years <b>Occupation:</b> Service	Whole-time Director and CFO	Bachelor of Commerce, Chartered Accountant, Cost & Works Accountant	01.07.2017	1. Savita Polymers Limited
5	Meghana C. Dalal <b>DIN:</b> 00087178 <b>Age:</b> 59 years <b>Occupation:</b> Practicing Chartered Accountant	Independent Director	Chartered Accountant	01.04.2019	Chetan Dalal Investigation and Management Services Private Limited
6	Ravindra Pisharody <b>DIN:</b> 01875848 <b>Age:</b> 63 years <b>Occupation:</b> Retired Corporate Executive	Independent Director	Bachelor of Technology (IIT), Diploma in Management (IIM)	01.01.2018	1. Bonfiglioli Transmissions Private Limited 2. Visage Holdings & Finance Pvt. Ltd.
7	Hariharan Sunder <b>DIN:</b> 00020583 <b>Age:</b> 59 years <b>Occupation:</b> Consultant	Additional Independent Director	Bachelor of Commerce, Chartered Accountant	28.01.2019	Ahlers India Pvt. Ltd.
8	Chandrashekhar R. Gupte <b>DIN:</b> 00009815 <b>Age:</b> 59 years <b>Occupation:</b> Consultant	Additional Independent Director	Chartered Accountant	29.05.2019	Alkyl Amines Chemicals Limited

*\*Date indicates the original date of appointment*



- 14.6. The details of changes in the Board of Directors during the last 3 years preceding the date of Public Announcement are as under:

<b>Name of the Director</b>	<b>Appointment/ Resignation/ Change in Designation/ Re-appointment</b>	<b>Effective Date</b>	<b>Reasons</b>
Siddharth G. Mehra	Appointment as Additional Director	01.07.2017	Appointed as an Additional Director with effect from 01.07.2017
Suhas M. Dixit	Appointment as Additional Director	01.07.2017	Appointed as an Additional Director with effect from 01.07.2017
Siddharth G. Mehra	Change in designation as Whole Time Director	29.09.2017	Change in designation as Whole Time Director with effect from 29.09.2017 to 30.09.2021
Suhas M. Dixit	Change in designation as Whole Time Director	29.09.2017	Change in designation as Whole-time Director with effect from 29.09.2017 to 30.09.2020
C.V. Alexander	Re-appointment	01.10.2017	Re-appointed as Whole Time Director with effect from 01.10.2017 to 30.9.2018
Ravindra Pisharody	Appointment as Additional Independent Director	01.01.2018	Appointed as Additional Independent Director with effect from 01.01.2018
Simran G. Mehra	Appointment as Non-Executive Director	01.01.2018	Appointed as Non-Executive Director with effect from 01.01.2018
Ravindra Pisharody	Change in designation as Independent Director	29.09.2018	Change in designation as Independent Director with effect from 29.09.2018 to 31.12.2021
Gautam N. Mehra	Re-appointment	01.10.2018	Re-appointed as Managing Director with effect from 1.10.2018 to 30.09.2023
C. V. Alexander	Re-appointment	01.10.2018	Re-appointed as Whole Time Director with effect from 1.10.2018 to 30.04.2019
Hariharan Sunder	Appointment as Additional Independent Director	28.01.2019	Appointed as Additional Independent Director with effect from 28.01.2019
Sanjeev R. Pandit	Retirement	31.03.2019	Cessation of tenure
Ninad B. Karpe	Retirement	31.03.2019	Cessation of tenure
Harit A. Nagpal	Retirement	31.03.2019	Cessation of tenure
Meghana C. Dalal	Retirement	31.03.2019	Cessation of tenure
Meghana C. Dalal	Appointment as Additional Independent Director	01.04.2019	Appointed as Additional Independent Director with effect from 01.04.2019
C. V. Alexander	Retirement	30.04.2019	Completion of term
Chandrashekhar R. Gupte	Appointment as Additional Independent Director	29.05.2019	Appointed as Additional Independent Director with effect from 29.05.2019

- 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 Persons in Control 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. Based on audited standalone financial statements

The financial information for last three audited standalone financial years is stated below:

Particulars	(Rs. in Lakhs)		
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017
	Audited	Audited	Audited
Revenue from operations	2,26,251.87	1,82,462.75	1,68,326.98
Other Income	1,839.86	955.29	1,304.78
Total Income	2,28,091.73	1,83,418.04	1,69,631.76
Total Expenses <sup>(1)</sup>	2,06,572.39	1,63,846.80	1,52,816.05
Finance Cost	2,895.04	1,375.19	1,371.08
Depreciation and amortization expense	2,353.23	2,588.27	2,828.80
Profit/(Loss) before Exceptional items and Taxes	16,271.07	15,607.78	12,615.83
Exceptional items	-	-	-
<b>Profit/(Loss) before taxes</b>	16,271.07	15,607.78	12,615.83
Provision for Tax (including Deferred Tax)	4,844.06	2,988.19	3,253.88
Profit/(Loss) after Tax	11,427.01	12,619.59	9,361.95
Other Comprehensive Income	(65.81)	(10.90)	(54.73)
Total Comprehensive Income	11,361.20	12,608.69	9,307.22
Paid-up Equity share capital	1,432.21	1,432.21	1,460.21
Other Equity	83,728.27	72,798.72	64,656.03
Net worth	85,160.48	74,230.93	66,116.24
Total Debt <sup>(2)</sup>	383.00	599.41	2,224.96

(1) Total Expenses excluding finance cost and depreciation and amortization expense

(2) Total Debt includes Long term and Short term borrowing of the company.

Financial Ratios	(Rs. in Lakhs)		
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017
	Audited	Audited	Audited
Earnings Per Share (Rs.) (Basic)	79.79	88.11	64.11
Earnings Per Share (Rs.) (Diluted)	79.79	88.11	64.11
Return on Net Worth (%)	13.42	17.00	14.16
Book Value Per Share (Rs.)	594.61	518.30	452.79
Debt-Equity Ratio	0.01	0.01	0.03

The key financial ratios, mentioned herein above, have been computed as under:

Net worth	Equity Share Capital + Other Equity
Earning Per Shares	Net Profit / (Loss) after Tax Attributable to Equity Shareholders / Weighted Average Number of Equity Shares outstanding
Book Value	Net worth / Number of Equity Shares
Debt-Equity Ratio	Debt / Equity (Equity Share Capital + Other Equity)
Return on Net Worth (%)	Net Profit / (Loss) after Tax / Net worth

15.2. 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, Share Capital Rules and Management Rules to the extent applicable and other applicable rules made under Companies Act, 2013.

## 16. STOCK MARKET DATA

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

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 BSE and NSE are as follows:

**For BSE:**

Period	High			Low			Average Price (Rs.)	Total volume of Equity Shares traded in the period (No. of Equity Shares)
	High (Rs.)	Date of High	Number of Equity Shares Traded on that date	Low	Date of Low	Number of Equity Shares Traded on that date		
<b>Preceding three years</b>								
1 April 2018 to 31 March 2019	1,503.00	10.04.2018	232	873.5	11.12.2018	396	1135.49	1,09,163
1 April 2017 to 31 March 2018	1,700.00	19.01.2018	7,676	900.05	24.05.2017	672	1257.04	3,44,690
1 April 2016 to 31 March 2017	949.95	31.03.2017	998	474	07.04.2016	771	691.88	2,14,318
<b>Preceding six calendar months</b>								
April, 2019	1,245.00	10.04.2019	241	1145.05	24.04.2019	57	1198.39	1,701
March, 2019	1,200.00	18.03.2019	380	993	01.03.2019	154	1119.10	5,512
February, 2019	1020.05	28.02.2019	57	938.55	20.02.2019	982	985.40	1,688
January, 2019	1,147.50	01.01.2019	127	908.55	28.01.2019	176	1015.01	8,583
December, 2018	1169.90	28.12.2018	42,139	873.50	11.12.2018	396	982.29	46,428
November, 2018	1,080.00	02.11.2018	3	943.80	16.11.2018	458	1000.03	4,382

**Source:** [www.bseindia.com](http://www.bseindia.com)

**Notes:**

<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

<sup>(4)</sup> In case the price is same on 2 dates then the date on which the volume is higher has been considered.

For NSE

Period	High			Low			Average Price (Rs.)	Total volume of Equity Shares traded in the period (No. of Equity Shares)	
	High (Rs.)	Date of High	Number of Equity Shares Traded on that date	Low	Date of Low	Number of Equity Shares Traded on that date			
<i>Preceding three years</i>									
1 April 2018 to 31 March 2019	1524.95	10.04.2018	9724	890	11.12.2018	3380	1130.68	3,46,549	
1 April 2017 to 31 March 2018	1739.95	19.01.2018	29132	903.35	19.04.2017	2940	1257.73	9,17,940	
1 April 2016 to 31 March 2017	955	31.03.2017	5146	470	01.04.2016	687	691.17	6,67,631	
<i>Preceding six calendar months</i>									
April, 2019	1239.9	10.04.2019	1063	1063	25.04.2019	686	1188.90	14,241	
March, 2019	1218.7	20.03.2019	2418	992.3	01.03.2019	359	1116.95	25,356	
February, 2019	1056.5	22.02.2019	450	931	18.02.2019	1141	981.95	12,442	
January, 2019	1140	01.01.2019	974	900	28.01.2019	3942	1016.54	34,040	
December, 2018	1172	31.12.2018	1369	890	19.12.2018	4524	976.48	78,556	
November, 2018	1072	02.11.2018	85	938	19.11.2018	1242	1001.86	11,611	

Source: www.nseindia.com

**Notes:**

<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

<sup>(4)</sup> In case the price is same on 2 dates then the date on which the volume is higher has been considered.

16.3. The closing market price of the Equity Shares of the Company as on May 28, 2019 i.e., the trading day before May 29, 2019 being the date of Board Meeting approving the Buyback was Rs. 1241.05 per Equity Share on BSE and Rs. 1256.20 per Equity Share on NSE.

16.4. The closing market price of the Equity Shares of the Company as on May 29, 2019 i.e., the date of Board Meeting approving the Buyback was Rs. 1283.90 per Equity share on BSE and Rs. 1298.15 per Equity share on NSE.

16.5. The closing market price of the Equity Shares of the Company as on May 30, 2019 i.e. the date immediately after May 29, 2019, being the date of Board Meeting approving the Buyback and the date of the Public Announcement, was Rs. 1356.40 per Equity Share on BSE and Rs. 1346.70 per Equity Share on NSE.

**17. DETAILS OF THE STATUTORY APPROVALS**

17.1. The Buyback offer is subject to approvals, if any required, under the provisions of the Act, the Buyback Regulations, FEMA and/or such other acts in force for the time being. The shareholders shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the Reserve Bank of India and/or the SEBI, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buyback. Shareholders would be required to provide copies of all such consents and approvals obtained by them to the Company's Broker.

17.2. The Buyback of shares from Non-Resident Shareholders, will be subject to approvals, if any, of the appropriate authorities, including RBI under FEMA, as applicable. It is the obligation of such Non-Resident

Shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to tender equity shares in the buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Sellers in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Sellers in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.

- 17.3. By agreeing to participate in the Buyback, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- 17.4. As of date, there is no other statutory or regulatory approval required to implement the Buyback, 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 Exchanges.

## 18. REGISTRAR TO THE BUYBACK / INVESTOR SERVICE CENTRE

- 18.1. In case of any queries, shareholders may also contact the Registrar to the Buyback , during office hours i.e. 10:00 a.m. to 5:00 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, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai 400 083,

Maharashtra, India.

**Tel. No.:** +91-22- 4918 6200; **Fax:** +91-22-4918 6195

**Contact person:** Mr. Sumeet Deshpande

**Email:** savita.buyback2019@linkintime.co.in

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**SEBI Registration Number:** INR000004058

**CIN:** U67190MH1999PTC118368

**Valid upto:** Permanent Registration

## 18.2. COLLECTION CENTRE

Eligible Sellers are requested to submit their Tender Form(s) and requisite documents either by registered post / courier to the Registrar to the Buyback, superscribing the envelope as “**Savita Oil Technologies Limited - Buyback Offer 2019**”, or hand deliver the same to the Registrar to the Buyback at the address abovementioned.

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

## 19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1. The Company proposes to Buyback upto 2,51,000 (Two Lakh Fifty One Thousand) Equity Shares (representing upto about 1.75% of the total number of Equity Shares of the Company) from Eligible Sellers at a price of Rs.1605/- (Rupees One Thousand Six Hundred and Five Only) (including premium of Rs.1595/-) per Equity Share (“**Buyback Price**”), payable in cash for an aggregate amount of upto Rs. 40,28,55,000/- (Rupees Forty Crores Twenty Eight Lakhs Fifty Five Thousand Only) (“**Buyback Size**”) excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc., (“**Transaction Cost**”). The Buyback is in accordance with the provisions of Section 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Article 8A of the Articles of Association of the Company and subject to Regulation 4(iv)(a) and other applicable provisions contained

in the Buyback Regulations and such other approvals, permissions and sanctions as may be required, from time to time from statutory authorities and/ or regulatory authorities. The Buyback Size is 4.74% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone balance sheet of the Company as on March 31, 2019, on a proportionate basis through the tender offer.

- 19.2. The Company expresses no opinion as to whether Eligible Sellers should participate in the Buyback and, accordingly, Eligible Sellers are advised to consult their own advisors to consider participation in the Buyback.
- 19.3. The aggregate shareholding of the Promoter and Persons in Control as on the date of the Draft Letter of Offer is 1,02,59,134 Equity Shares which represents 71.63% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender offer, the Promoter and Persons in Control of the Company have an option to participate in the Buyback. In this regard, the Promoter and Persons in Control have expressed their intention vide their letters dated May 29, 2019 to participate in the Buyback and tender upto an aggregate maximum number of 90,42,873 Equity Shares.
- 19.4. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post the Buyback will be [●] number of Equity Shares representing [●]% of paid-up equity share capital of the Company, post the Buyback.
- 19.5. **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**
- (i) The Board at its meeting held on May 29, 2018 announced Wednesday, June 12, 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 Sellers 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 the Recognized Stock Exchange registering the highest trading volume, as on Record Date, is not more than Rs. 2,00,000/- (Rupees Two Lakh Only). As on the Record Date, the closing price on [●], being the stock exchange registering the highest trading volume, was Rs. [●]/-. Accordingly, all Equity Shareholders holding not more than [●] 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 [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on the Record Date, which constitutes [●]% of the total number of Equity Shares of the Company and [●]% of the maximum number of Equity Shares which the Company proposes to buyback 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 2,51,000 (Two Lakh Fifty One Thousand) Equity Shares which works out to 37,650 (Thirty Seven Thousand Six Hundred and Fifty) Equity Shares; or
    - (b) The number of Equity Shares entitled as per their shareholding as on Record Date i.e. Wednesday, June 12, 2019, which works out to be [●] Equity Shares.
      - (1) All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter and Persons in Control also intend to offer Equity Shares held by them in the Buyback.
      - (2) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, [●] (Rounded off) Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.

- (vi) In order to ensure that the same Eligible Seller with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Seller with a common Permanent Account Number (“PAN”) shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buyback Entitlement. 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 Seller holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback 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/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback 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.
- (vii) 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	[●] Equity Shares out of every [●] Equity Shares held on the Record Date.
General category Eligible Sellers other than Small Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date.

*Note: The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off.*

#### 19.6. 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 Equity Share), then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback for both categories of Eligible Sellers.

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] 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.

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

Subject to the provisions contained in this DLOF, 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 19.7 (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) 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 19.7 (i) and 19.7 (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 19.7 (ii) above, shall be reduced by 1 (one).

- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.7 (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.

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

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

- (i) Acceptance of 100% Equity Shares from Eligible Sellers 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 19.8 (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 Sellers over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Sellers divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- (iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.8 (i) and (ii) above:
  - (a) For any Eligible Seller, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (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 Seller 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 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 for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be accepted proportionately, i.e. valid acceptances per Eligible Seller shall be equal to the Additional outstanding Equity Shares validly tendered by an Eligible Seller in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially filled Category.
- (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 19.7 (ii) shall be reduced by 1 (one).



- (iii) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.9 (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.

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

- (i) The Equity Shares accepted under the Buyback from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Seller;
- (ii) The Equity Shares accepted under the Buyback from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Seller as on the Record Date; and
- (iii) The Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.
- (iv) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Board or any person(s) 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**

- 20.1. The Buyback is open to all Eligible Sellers 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 and Tender Form, will be dispatched to all the Eligible Sellers.
- 20.3. The Eligible Sellers, 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 from any shareholder to receive a copy of the letter of offer in physical form, the same shall be provided. The Eligible Sellers 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. 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.
- 20.5. 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.
- 20.6. The Company shall accept Equity Shares offered by the duly authorised persons on behalf of Eligible Sellers including executor / trustee of the trust, partner of the firm, karta of the HUF, constituted attorney, subject to receipt of relevant documents, as required by the Registrar.
- 20.7. Eligible Sellers will have to transfer the Equity Shares from the same demat account, in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Sellers are required to tender the applications separately from each demat account, to the special account of Indian Clearing Corporation Limited (“**Clearing Corporation**”).

- 20.8. Shareholders' participation in Buyback will be voluntary. The Company expresses 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 the Buyback. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares 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. Shareholders may also accept a part of their Buyback Entitlement. Shareholders also have the option of tendering additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in this Draft Letter of Offer.
- 20.9. The maximum tender under the Buyback by any Shareholder cannot exceed the number of Equity Shares held by the Shareholder as on the Record Date.
- 20.10. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Sellers, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Sellers will be accepted as per paragraph 19.7, 19.8, 19.9, 19.10 and 20.9.
- 20.11. As elaborated under paragraph 19.5 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 Sellers other than Small Shareholders and the Buyback Entitlement of an Eligible Seller 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 Sellers in that category, and thereafter, from Eligible Sellers 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 shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 including any amendment thereto and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, BSE notice no. 20170202-34 dated February 2, 2017 and BSE notice no. 20170210-16 dated February 10, 2017 and such other circulars or notifications and following the procedure prescribed in the Act and the Buyback Regulations, and as may be determined by the Board (including any person 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 Antique Stock Broking 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:
- Name:** Antique Stock Broking Limited  
**Address:** 20th Floor, A Wing Naman Midtown,  
Senapati Bapat Marg, Elphinstone Road West.  
Mumbai - 400 013.  
**Tel. No.:** +91 022 4031 3300  
**Fax No.:** +91 022 4031 3400  
**Contact Person:** Mr. Jignesh P. Sangani  
**Tel. No.:** 022-4031 3300  
**Email:** [jignesh@antiquelimited.com](mailto:jignesh@antiquelimited.com)  
**Website:** [www.antiquelimited.com](http://www.antiquelimited.com)  
**SEBI Registration Number:** NSE - INZ000001131; BSE - INZ000001131  
**Corporate Identity Number:** U67120MH1996PTC100233.
- 20.15. The Acquisition Window will be provided by the BSE to facilitate placing of sell orders by Eligible Sellers who wish to tender Equity Shares in the Buyback. The details of the platform will be specified by BSE from time to time.
- 20.16. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker.

- 20.17. In the event Seller Member(s) are not registered with the BSE or if the Eligible Sellers do not have any stock broker then that Eligible Seller can approach any stock broker registered with the BSE (with whom they do not have an account) and can make a bid by using quick unique client code (“UCC”) facility through that stock broker registered with the BSE after submitting the details as may be required by the stock broker to be in compliance with the SEBI Buy-Back Regulations. In case Eligible Sellers are not able to bid using UCC facility through any other stock broker registered with the BSE, then the Eligible Sellers may approach Company’s Broker, to bid by using UCC facility. The Eligible Seller approaching the BSE registered stock broker (with whom he does not have an account) / Company’s Broker may have to submit following details:

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

If Eligible Seller 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 Seller is not registered with KRA:

Forms required:

- CKYC form
- KRA form
- KYC form

Documents required (all documents self-attested):

- PAN card copy
- Address proof – Aadhaar card mandatory
- 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 Seller is HUF:**

If Eligible Seller 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 Seller 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 — Aadhaar card mandatory
- HUF declaration

- 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 Seller other than Individual and HUF:**

If Eligible Seller 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)
- FATCA, IPV, OSV if applicable
- 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 Seller 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 – Aadhaar card mandatory
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- 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

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.

- 20.18. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Sellers through their respective stock brokers 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 Sellers. The stock brokers ("**Seller Member(s)**") can enter orders for demat shares.
- 20.19. Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the Tendering Period of the Buyback. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of Acceptance.
- 20.20. The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.
- 20.21. All documents sent by the Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.

**20.22. Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialised form**

- (i) Eligible Sellers who desire to tender their Equity Shares in the electronic/dematerialized form under the Buyback would have to do so through their respective Seller Member by giving 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 Sellers who wish to tender their Equity Shares in the Buyback using the Acquisition Window of the BSE. Before placing the bid, the concerned Seller Member would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation, 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. This shall be validated at the time of order/bid entry.
- (iii) The details of the special account and the settlement number of Clearing Corporation shall be informed in issue opening circular that will be issued by BSE and/or Clearing Corporation.
- (iv) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- (v) Upon placing the order, the Seller Member shall provide transaction registration slip (“TRS”) generated by the stock exchange bidding system to the Eligible Seller. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered, etc.
- (vi) All Eligible Sellers 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 Seller has signed the Tender Form;
  - (b) Duly attested death certificate and succession certificate / legal heirship certificate, in case any Eligible Seller has expired; and
  - (c) In case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).
- (vii) 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 demat Equity Shareholders.
- (viii) The Eligible Sellers 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 prorated buyback decided by the Company.

**20.23. Procedure to be followed by Registered Eligible Sellers holding Equity Shares in physical form**

- (i) 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), read with SEBI’s press releases dated December 3, 2018, and March 27, 2019, effective from April 1, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository (“LODR Amendment”).
- (ii) In light of the LODR Amendment, any of the Eligible Seller who are desirous of tendering their Equity Shares held in physical form can do so only after the shares are dematerialized. Such Eligible Sellers are advised to approach the concerned depository participant to have their Equity Shares dematerialized.

- (iii) **ACCORDINGLY, ALL ELIGIBLE SHAREHOLDERS OF THE COMPANY DESIROUS OF TENDERING THEIR EQUITY SHARES AND HOLDING EQUITY SHARES IN PHYSICAL FORM ARE ADVISED TO APPROACH THE CONCERNED DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALIZED. EQUITY SHAREHOLDERS WHO HAVE DEMATERIALIZED THEIR EQUITY SHARES AFTER THE RECORD DATE (WEDNESDAY, JUNE 12, 2019) AND HAVE TENDERED THEIR EQUITY SHARES IN THE BUY-BACK HAVE TO SEND A LETTER ALONG WITH TRANSACTION STATEMENT OF THE DEMAT ACCOUNT FROM WHERE THE EQUITY SHARES HAVE BEEN TENDERED, TO THE REGISTRAR ON OR BEFORE [●].**

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

- (i) Eligible Sellers, being Non-Resident Shareholders of Equity Shares (excluding FIIs/FPIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (ii) In case the Equity Shares are held on repatriation basis, the Eligible Sellers 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 Seller from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Sellers 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 Seller 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 Seller, 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.

20.25. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to, any Eligible Seller, shall not invalidate the Buyback in any way.

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

- (i) **In case the Equity Shares are in dematerialised form:**

In case of non-receipt of the Letter of Offer, Eligible Sellers may participate in the offer by applying on the Tender Form downloaded from the Company’s website i.e., [www.savita.com](http://www.savita.com) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback or by providing their application in plain paper in writing signed by such shareholder (in case jointly held then signed by all shareholders), stating name, address, number of shares held, Client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents. Eligible Shareholder(s) have to ensure that their bid is entered in the Acquisition Window prior to the closure of the Offer. Please note that the Company shall accept Equity Shares from the Eligible Sellers on the basis of their holding and Buyback Entitlement. Eligible Seller(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..

- (ii) **In case the Equity Shares are in physical form:**

All Eligible Sellers of the Company holding Equity Shares in physical form should note that pursuant to provisions of the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”) read with press release no.12/2019 dated March 27, 2019 issued by SEBI, with effect from April 1, 2019, the request for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository. Accordingly, the Company shall not accept the Equity Shares tendered under the Buy-back unless such Equity Shares are in dematerialised form.

Accordingly, all eligible sellers of the Company desirous of tendering their Equity Shares and holding Equity Shares in physical form are advised to approach the concerned depository participant to have their

equity shares dematerialized before tendering their Equity Shares in the Buy-back and if they do not receive LOF, they can follow the procedure mentioned in paragraph 20.26(i) above.

20.27. Please note that Eligible Seller(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.

20.28. The acceptance of the Buyback made by the Company is entirely at the discretion of the Eligible Sellers of the Company. The Company does not accept any responsibility for the decision of any Eligible Seller to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Sellers are advised to adequately safeguard their interest in this regard.

20.29. **Method of Settlement**

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

- (i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
  - (ii) The Equity Shares bought back in the 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 the Designated Stock Exchange.
  - (iii) The Eligible Sellers will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non – acceptance.
  - (iv) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to the respective Seller Members by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue, then such Equity Shares will be transferred to the Seller Member's pool account for onward transfer to the Eligible Seller. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant.
  - (v) The Company will pay the consideration to the Company's Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to the respective Eligible Sellers. If any Eligible Seller'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 Sellers will be transferred to the concerned Seller Members' for onward transfer to the such Eligible Seller.
- 20.30. Eligible Sellers 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 Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Securities Transaction Tax would be deducted from respective Eligible Sellers funds payout. The Buyback consideration received by the Eligible Sellers from their respective Seller Members, 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 accepts no responsibility to bear or pay such additional cost, applicable taxes, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.
- 20.31. The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

## 21. NOTE ON TAXATION

**THE TAX CONSIDERATIONS GIVEN HEREUNDER ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER AS AMENDED, 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 IMPLICATION SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.**

### **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.

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.

Any gains arising to a non-resident on transfer of Equity Shares held in an Indian Company should be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the 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 listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

### **CLASSIFICATION OF SHARES AND SHAREHOLDERS:**

#### **i. Under the provisions of the Income Tax Act, shares are classifiable as**

- a. Capital asset viz. Shares held as investment (Income from transfer of which is taxable under the head "Capital Gains")
- b. Shares held as stock-in-trade (Income from transfer of which is 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 characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. The Central Board of Direct Taxes ("CBDT"), the apex body for Income-tax administration 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 the Tax Officer.

However, this stand, once taken by the assessee in a particular assessment year, shall remain applicable in the subsequent assessment years also and the taxpayer shall not be allowed to opt a different / contrary stand in this regard in the subsequent years.



Further, investments by FII in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the ITA.

The basis of charge of Indian Income Tax depends upon the nature and source of income and the residential status of the taxpayer during a fiscal year. The Indian fiscal year runs from 1st April to 31st March.

**ii. Under the provisions of the Income Tax Act, shareholders can be classified as follows:**

**a. Resident Shareholders being:**

- Individuals, HUF, AOP and BOI
- Company
- Others

**b. Non Resident Shareholders being:**

- Non Resident Individual
- Foreign Institutional Investors (FIIs)
- Others :
- Company
- Other than Company

Residential status by reason of domicile, residence, place of management or other similar criterion determines the liability to taxation under the Income Tax Act.

A person who is a resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act.

A person who is a non – resident is generally subject to tax in India on such person’s income accrued in India or income received by such person in India or income deemed to accrue/ arise in India.

**Shares held as Capital Asset (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. Exemption under section 10(34A) of the Income Tax Act is not applicable to buy back of shares of listed companies. The provisions of buy back under Section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange.

**For non – residents, capital gains would be subject to taxability under the Income Tax Act or beneficial provisions of applicable Double Taxation Avoidance Agreement (“DTAA”), whichever is more beneficial. However, in order to avail the benefits of DTAA, the non-resident shareholder shall obtain the certificate referred to in sub-section (4) of section 90 of the Income Tax Act and shall also furnish the prescribed particulars referred to in sub-section (5) of section 90 of the Income Tax Act.**

**iii. 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 held for a period of 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 there from shall be taxable as “short term capital gains” (“STCG”).
- Similarly, where equity shares are held for a period of 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 there from shall be taxable as “long – term capital gains” (“LTCG”).

**Shares held as Stock-in-trade income from transfer, taxable under the head “Profits and Gains from Business or Profession”)**

If the shares are held as stock-in-trade by any of the Shareholders of the Company, the gains would be characterized as business income. In such a case, the provisions of section 46A of the Income Tax Act would not apply.

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

Where transaction for transfer of such equity shares (i.e. buyback) is entered into through a recognized stock exchange and 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 value of security.

The taxability of buyback proceeds in the hands of eligible shareholders is as under:

The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after 1 April 2018. Section 112A of the ITA provides for taxation of income arising from the transfer of such shares, which is explained in the following paragraphs:

The gain accrued on transfer of such equity shares till 31 January 2018 has been grandfathered by providing that for the purpose of computing LTCG the cost of shares acquired before 1 February 2018 shall be the higher of the following-

- i) Actual cost of acquisition; or
- ii) Lower of -
  - a) Fair market value
  - b) Full value of consideration received or accruing as a result of the transfer of the shares Fair market value has been defined to mean the highest price of the equity share quoted on any recognized stock exchange on 31 January 2018.

After taking into account the exemption provided above, LTCG arising from transfer of equity shares, exceeding Rs. 100,000, will be taxable at 10% without allowing the benefit of indexation.

The Central Government has issued a Notification No. 60/2018/F. No. 370142/9/2017-TPL dated 1st October 2018. According to the notification the chargeability of STT will not be a condition for equity shares acquired before 1st October, 2004. The notification however enumerates certain situations wherein section 112A of the ITA will continue to be applicable even if STT is not paid at the time of acquisition of equity shares.

The situations enumerated where provisions of Section 112A would continue to apply are as follows:

- (a) Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on a recognised stock exchange of India, was made through a preferential issue, subject to certain exceptions;
- (b) Where transaction for acquisition of existing listed equity share in a company was not entered through a recognised stock exchange of India, subject to certain exceptions;
- (c) Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from a recognised stock exchange and ending on the date on which the company was again listed on a recognised stock exchange in accordance with the Securities Contracts (Regulation) Act, 1956 read with Securities and Exchange Board of India Act, 1992 (15 of 1992) and any rules made there under.

The notifications inter alia provides certain exceptions to the aforesaid situations where the provisions of Section 112A would not apply.

Where provisions of section 112A are not applicable, LTCG will be chargeable to tax at 20%. However, for a resident shareholder, an option is available to pay tax on such LTCG at either 20% with indexation or 10% without indexation.

- STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the ITA.

Unlike in the case of LTCG, no amendment has been made that requires payment of STT at the time equity shares are acquired for eligibility of the concessional rate of 15% on STCG.

Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is required to be considered while computing tax on such LTCG or STCG taxable under Section 112A or 111A of the ITA.

In addition to the above LTCG or STCG tax, Surcharge, Health and Education Cess are leviable (*Please refer to note on the rate of surcharge and cess*).

Where transaction for transfer of such equity shares (i.e. buyback) is executed through a recognized stock exchange, it is liable to Securities Transaction Tax ('STT'). Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

MAT implications would get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign company has entered into a DTAA with India and such foreign company does not have a permanent establishment in India in terms of the DTAA.

Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the ITA.

### **Shares held as stock-in-trade**

#### **i. Resident Shareholders:**

- a. For individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates;
- b. Domestic company having turnover or gross receipts not exceeding Rs. 250 crore in the previous year 2017-2018 would be taxable @ 25%
- c. For persons other than stated in (a) and (b) above, profits would be taxable @ 30%.

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

#### **ii. Non Resident Shareholders:**

- a. Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India subject to fulfilling relevant conditions and the documentary compliance prescribed under the ITA.
- b. Where DTAA provisions are not applicable:
  - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable 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%.

### **Tax Deduction at Source:**

#### **i. In case of Resident Shareholders**

In absence of any specific provision under the Income Tax Act, 1961, the Company shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

#### **ii. In the case of Non Resident Shareholders.**

Since the buyback is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. The non-resident shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident shareholders must file their tax return in India inter-alia considering gains arising on this buyback of shares in consultation with their tax advisors.

The non-resident shareholders undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to the non-resident shareholders on buyback of shares by the Company. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc. It is therefore recommended the non-resident shareholder may consult their custodians / authorized dealers / tax advisors appropriately.

#### **Surcharge and Cess:**

In addition to the above Capital Gain Tax, Surcharge and Health & Education Cess are leviable as under:

- a. In case of foreign companies and FIIs : Surcharge is levied @ 2% on the amount of income tax, if total income exceeds Rs.1 crore but does not exceed Rs.10 crore and @ 5% on the amount of income-tax if total income exceeds Rs.10 crore;
- b. In case of other non-resident assesses (i.e. other than foreign companies) : Surcharge @ 15% for non-resident individual / HUF / AOP / BOI, where the total income exceeds Rs.1 crore; and @ 10% in case of others, where the total income is in between Rs.50 lakh and Rs.1 crore;
- c. In case of domestic companies : Surcharge @ 7% is levied where the total income exceeds Rs.1 crore but does not exceed 10 crore and @ 12% is levied where the total income exceeds Rs.10 crore;
- d. In case of resident assesses (i.e. other than domestic companies): Surcharge @ 15%, where the total income exceeds Rs.1 crore; and @ 10% in case of others, where the total income is in between Rs.50 lakh and Rs.1 crore;
- e. In the case of Individual who is a Senior Citizen (who is 60 years or more, but less than 80 years as on 31.03.2019), where the total income is more than Rs.3 lakh, Health & Education Cess of 4% will be levied on the amount of income tax plus surcharge;
- f. Further in the case of an Individual who is a Super Senior Citizen (who is 80 years or more at any time during the financial year beginning on 1st April, 2018), where the total income is more than Rs.5 lakh, Health & Education Cess of 4% will be levied on the amount of income tax plus surcharge;
- g. Further in the case of any other resident individual, every HUF / AOP / BOI / artificial juridical person, where the total income exceeds Rs.2.5 lakh, Health & Education Cess of 4% will be levied on the amount of income tax plus surcharge.
- h. In the case of non residents availing the beneficial tax treatment prescribed under the relevant Double Tax Avoidance Agreement (“DTAA”) the rate of tax prescribed in the DTAA is all inclusive fat rate and surcharge and cess are not to be added separately to the rate prescribed in the DTAA. Judicial precedents have supported such proposition and interpretation.

#### **Notes:**

- i) 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.
- ii) All the above benefits are as per the current tax laws (including amendments made by the Finance Act, 2018), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any change or amendments in the law or relevant regulations would necessitate a review of the above.
- iii) The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be 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. Taxpayer should consult with his own tax advisor/s for applying the tax provisions as per the particular circumstances attendant to his case.
- iv) Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.
- v) The tax rate and other provisions may undergo changes.

## 22. DECLARATION BY THE BOARD OF DIRECTORS

The Board of Directors made declaration as on the date of passing the board resolution approving the Buyback i.e. May 29, 2019 as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations.:

The Board of Directors confirms that there are no defaults in repayment of deposits accepted either before or after the Companies Act, 2013, interest payment thereon, redemption of debentures or interest payment thereon or 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 companies.

The Board of Directors confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

- a) immediately following the date of the Draft Letter of Offer, 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 Draft Letter of Offer, that, having regard to their intention with respect to the management of Company's business during the said year and to the amount and character of the financial resources, which will 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 that date.
- c) in forming our opinion for the above purposes, 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 under the authority of the Board of Directors pursuant to resolution passed at the meeting held on May 29, 2019.

**For and on behalf of the Board of Directors of Savita Oil Technologies Limited**

Sd/-

Sd/-

**Gautam N. Mehra**  
Managing Director

**Suhas M. Dixit**  
Whole-time Director

## 23. AUDITORS CERTIFICATE

**The text of the report dated May 29, 2019 received from G.D. Apte & Co. Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of the Company is reproduced below:**

### Quote

To,

The Board of Directors,  
**Savita Oil Technologies Limited**  
66/67, Nariman Bhavan, Nariman Point,  
Mumbai - 400 021

Dear Sir,

**Sub.: Statutory Auditor's Report in respect of proposed buyback of equity shares by Savita Oil Technologies Limited in terms of Clause (xi) Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) (the "Buyback Regulations").**

1. This report is issued in accordance with the terms of our engagement letter dated May 27 2019.
2. We, **G. D. Apte and Co. Chartered Accountants, (Firm Registration Number 100515W)**, the Statutory Auditors of Savita Oil Technologies Limited ("the Company"), have been informed by the Management of the Company that the Board of Directors of the Company has approved a proposed buy-back of equity shares of the

Company at its meeting held on May 29, 2019, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (the “Act”) and Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended (the “Buyback Regulations”).

3. The accompanying Statement of permissible Capital payment (including premium) (“**Annexure A**”) as at March 31, 2019 (hereinafter referred together as the “Statement”).

#### **MANAGEMENT’S RESPONSIBILITY FOR THE STATEMENT**

4. The Management of the Company is responsible for the preparation of the Statement in accordance with Section 68 (2) of the Act and the proviso to Regulation 5(i)(b) of the Buyback Regulations including the computation of the amount of the permissible capital payment, preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating and validating data and designing implementing and monitoring of internal controls suitable for ensuring compliance with all applicable guidelines issued in connection with the proposed buy back of equity shares of the Company and to perform a reasonable assurance engagement on the Statement, which we have initialed for determination purposes only.
5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of meeting at which the proposal for buy-back was approved by the Board of Directors of the Company.

#### **AUDITOR’S RESPONSIBILITY FOR THE STATEMENT**

6. Pursuant to the requirements of the Act and Buyback Regulations:
  - a) We have inquired into the state of affairs of the Company in relation to the audited standalone financial statements for the year ended March 31, 2019;
  - b) The amounts used for computing the permissible capital payment as stated in **Annexure A**, have been properly determined considering the audited standalone financial statements of the Company for the year ended March 31, 2019 and the computation is in accordance with Section 68(2) of the Act and the proviso to Regulation 5(i)(b) of the Buyback Regulations;
  - c) Board of Directors of the Company in their meeting dated May 29, 2019 have formed the opinion as specified in clause (x) of Schedule I to the SEBI 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 the date of passing of Board meeting resolution dated May 29, 2019.
7. The standalone financial statements referred to in paragraph 6 above, which we have considered for the purpose of this report, have been audited by us.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. 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.
9. We have complied with relevant applicable requirements of the Standard on Quality control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **OPINION**

10. Based on our examination, as stated above and according to the information, explanations and written representations provided to us by the Management of the Company, we report that:
  - a) The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as stated in Annexure A is in accordance with Section 68(2) of the Act and the proviso to Regulation 5(i)(b) of the Buyback Regulations;
  - b) The Board of Directors of the Company, in their meeting held on May 29, 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 May 29, 2019.

#### **RESTRICTION ON USE**

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Act and the Buyback Regulations, solely to enable the Board of Directors of the Company to include it (a) in the public announcement, draft letter of offer and letter of offer to be sent to the shareholders of the Company and / or filed with Securities & Exchange Board of India, the Stock Exchanges, the Registrar of Companies, public shareholders and any other regulatory authority as required by the Act and the Buyback Regulations and as per applicable laws, and (b) the Central Depository Services (India) Limited, National

Securities Depository Limited and (iii) for providing to the Manager, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

**For G. D. Apte & Co.**  
**Chartered Accountants**  
**Firm Registration No: 100515W**

Sd/-

**CA Chetan R. Sapre**  
**Partner**  
**M. No.: 116952**  
**UDIN: 19116952AAAABQ1464**  
**Place: Mumbai**  
**Date: May 29, 2019**

**Annexure A**

<b>Rs. In Lakhs</b>	
<b>Particulars</b>	<b>As at March 31, 2019</b>
Equity Share Capital- Subscribed and Paid-up	1,432.21
Free Reserves	
- Securities Premium Account	NIL
- General Reserve	14,364.60
- Surplus in Statement of Profit and Loss	69,216.45
<b>TOTAL</b>	<b>85,013.26</b>
Maximum amount permissible for the Buy-back i.e. 10% of total paid up equity capital and free reserves	8,501.33
Amount approved by the Board of Directors for buy-back in the meeting held on May 29, 2019	4,028.55

**Unquote**

**24. MATERIAL DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the Registered Office of the Company at 66/67, Nariman Bhavan, Nariman Point, Mumbai – 400 021, Maharashtra between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the Offer Period:

- (i) Certificate of Incorporation of the Company.
- (ii) Memorandum and Articles of Association of the Company.
- (iii) Annual reports / Audited financial statements of the Company for the preceding three financial years viz. March 31, 2019, 2018 and 2017.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on May 29, 2019 approving the proposal of the Buyback.
- (v) Certificate dated May 29, 2019 received from G. D. Apte & Co., Chartered Accountants, the statutory auditors of the Company, in terms of Clause (xi) of Schedule I of the Buyback Regulations.
- (vi) Copy of Public Announcement dated May 30, 2019 published in the newspapers on May 31, 2019 regarding Buyback.
- (vii) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (viii) Certificate dated May 29, 2019 issued by Mr. Chetan Sapre (Membership No.: 116952), Partner of G. D. Apte & Co., Chartered Accountants (ICAI Firm Registration No.:- 100515W) certifying that the

Company has made firm financial arrangements for fulfilling its obligations under the Buyback, in accordance with the Buyback Regulations.

- (ix) Copy of the Escrow Agreement dated [●] executed amongst the Company, Escrow Agent and the Manager to the Buyback.
- (x) SEBI comments received on DLOF vide letter no. [●] dated [●] issued in terms of the Buyback Regulations.

## 25. DETAILS OF THE COMPLIANCE OFFICER

Investors may contact the Compliance Officer of the Company for any clarifications or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

**Mr. Uday Rege**

**Company Secretary & Compliance Officer**

66/67, Nariman Bhavan, Nariman Point,

Mumbai – 400 021, Maharashtra

**Tel. No.:** +91 22 2288 3061; **Fax:** +91 22 2202 9364

**Email:** legal@savita.com

**Website:** [www.savita.com](http://www.savita.com)

## 26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SELLERS

- (i) In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, demat credit, etc.), the Eligible Sellers can approach the Manager to the Buyback and/ or Registrar to the Buyback and/ or Compliance Officer of the Company for redressal.
- (ii) If the Company makes any default in complying with the provisions of Sections 68, 69, 70 of the Companies Act, 2013 including the rules thereunder, 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 applicable.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

**The Registrar of Companies, Maharashtra, Mumbai**

100, Everest, Marine Drive, Mumbai- 400002.

## 27. REGISTRAR TO THE BUYBACK / INVESTOR SERVICE CENTRE

In case of any queries, shareholders may also contact the Registrar to the Buyback, during office hours i.e. 10:00 a.m. to 5:00 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, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai 400 083,

Maharashtra, India.

**Tel. No.:** +91 22 4918 6200; **Fax:** +91 22 4918 6195

**Contact person:** Mr. Sumeet Deshpande

**Email:** savita.buyback2019@linkintime.co.in

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**SEBI Registration Number:** INR000004058

**CIN:** U67190MH1999PTC118368



## 28. MANAGER TO THE BUYBACK



### **ITI Capital Limited**

**(Formerly known as Inga Capital Limited)**

Naman Midtown, 21st Floor, 'A' Wing,  
Senapati Bapat Marg, Elphinstone (West),  
Mumbai - 400 013, Maharashtra.

**Tel. No.:** +91 22 4031 3489, **Fax No.:** +91 22 4031 3379;

**Contact Person:** Mr. Mihir Pandhi / Ms. Nimisha Joshi;

**Email:** savita.buyback2019@iticapital.in;

**Website:** www.iticapital.in;

**SEBI Registration No:** INM000010924

**CIN:** U74140MH1999PLC122493

## 29. DIRECTORS' RESPONSIBILITY

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full and final responsibility for the information contained in this Draft Letter of Offer and confirms that such document contains true, factual and material information and does not contain any misleading information.

**For and on behalf of the Board of Directors of Savita Oil Technologies Limited**

Sd/-

**Gautam Mehra**  
**Chairman, Managing Director**  
**and CEO**

Sd/-

**Suhas M. Dixit**  
**Whole Time Director and Chief**  
**Financial Officer**

Sd/-

**Uday Rege**  
**Company Secretary and**  
**Compliance officer**

**Date:** June 7, 2019

**Place:** Mumbai

Encl.: Tender Form for Demat Shareholders

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

**Bid Number:**  
**Date:**

BUYBACK OPENS ON	[●], 2019
BUYBACK CLOSES ON	[●], 2019
<b>For Registrar / Collection Centre use</b>	
Inward No.	Date
<b>Status (please tick appropriate box)</b>	
<input type="checkbox"/> Individual	<input type="checkbox"/> FPI
<input type="checkbox"/> Foreign Co	<input type="checkbox"/> NRI/OCB
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/FI
<input type="checkbox"/> VCF	<input type="checkbox"/> Partnership/LLP
	<input type="checkbox"/> Insurance Co
	<input type="checkbox"/> FVCI
	<input type="checkbox"/> Pension/PF
	<input type="checkbox"/> Others
<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  
**Savita Oil Technologies Limited**  
C/o Link Intime India Private Limited  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India.

Dear Sirs,

**Sub: Letter of offer dated [●],2019 in relation to Buyback of upto 2,51,000 (Two Lakh Fifty One Thousand) Equity Shares of Savita Oil Technologies Limited (“Company”) at a price of ₹ 1,605/- (Rupees One Thousand Six Hundred and Five Only) per Equity Share (“Buyback Price”), payable in cash**

- I / We (having read and understood the Letter of Offer dated [●],2019 hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- 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.
- I / We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/authorized dealers/tax advisors appropriately.
- In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Indian Clearing Corporation Limited (“Clearing Corporation”) and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Sellers.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Seller 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 (Wednesday, June 12, 2019)		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including Additional Shares)		

**Note:** An Eligible Seller may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by Eligible Seller 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 Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along line -----

**Acknowledgement Slip: SAVITA OIL TECHNOLOGIES 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

Please quote DP ID and Client ID for all future correspondence

14. 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				

15. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of the Equity Shareholder				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of 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 [●], 2019 and close on [●], 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 Sellers 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 the Equity Shareholder is not an Equity Shareholder of the Company as on the Record Date.
5. The Eligible Sellers 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 Sellers 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.
7. For the procedure to be followed by Eligible Sellers for tendering in the Buyback, please refer to paragraph 20 of the Letter of Offer.
8. All documents sent by Eligible Sellers will be at their own risk. Eligible Sellers 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. The Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.

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

-----Tear along 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:**

**Investor Service Centre, SAVITA OIL TECHNOLOGIES LIMITED - BUYBACK OFFER 2019**

Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India **Tel. No.:**+91-22- 4918 6200| **Fax:**+91-22-4918 6195 |

**Email:**savita.buyback2019@linkintime.co.in| **Website:**www.linkintime.co.in

**Contact Person:** Mr. Sumeet Deshpande