

DRAFT LETTER OF OFFER*

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is being sent to you as a registered Equity Shareholder (*as defined hereinafter*) of eClerx Services Limited (the "**Company**") as on the Record Date (*as defined hereinafter*) in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "**SEBI Buy-Back Regulations**"). If you require any clarifications about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buy-Back i.e. Emkay Global Financial Services Limited or the Registrar to the Buy-Back i.e. **Karvy Fintech Private Limited**. Please refer to the section on "**Definition of Key Terms**" for the definition of the capitalized terms used herein.

eClerx

eClerx Services Limited

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Tel. No.: +91 22 6614 8301; **Fax:** +91 22 6614 8655

Corporate Identification Number (CIN): L72200MH2000PLC125319

Contact Person: Mr. Pratik Bhanushali, Company Secretary and Compliance Officer

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CASH OFFER TO BUY-BACK NOT EXCEEDING 17,46,666 (SEVENTEEN LAKHS FORTY SIX THOUSAND SIX HUNDRED SIXTY SIX) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH ("EQUITY SHARES" OR "SHARES"), CONSTITUTING UPTO 4.52% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS ON MARCH 31, 2018 ("BUY-BACK"). THE BUY-BACK WILL BE UNDERTAKEN ON A PROPORTIONATE BASIS, FROM THE FULLY PAID-UP EQUITY SHAREHOLDER(S) / BENEFICIAL OWNER(S) OF THE EQUITY SHARES OF THE COMPANY AS ON FRIDAY, MAY 10, 2019 ("RECORD DATE"), BY WAY OF A TENDER OFFER THROUGH STOCK EXCHANGE MECHANISM FOR CASH AT A PRICE OF ₹ 1,500/- (RUPEES ONE THOUSAND FIVE HUNDRED ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT UP TO ₹ 2,620 MILLIONS (RUPEES TWO THOUSAND SIX HUNDRED AND TWENTY MILLIONS ONLY) ("BUY-BACK SIZE") EXCLUDING THE TRANSACTION COST(S) (AS DEFINED HEREINAFTER). AS REQUIRED UNDER THE SEBI BUY-BACK REGULATIONS, EQUITY SHARES TO BE BOUGHT BACK ARE DIVIDED INTO TWO CATEGORIES: (I) RESERVED CATEGORY FOR SMALL SHAREHOLDERS (AS DEFINED HEREINAFTER); AND (II) GENERAL CATEGORY FOR ALL OTHER SHAREHOLDERS.

1. The Buy-Back is being undertaken by the Company in accordance with Article 61 of the Articles of Association of the Company, the provisions of Sections 68, 69, 70, 110, 179 and other applicable provisions of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 (collectively referred as the "**Act**") and the SEBI Buy-Back Regulations. The Buy-Back is subject to such other approvals, permissions, sanctions and exemptions, as may be necessary, and subject to such conditions and modifications, if any, as may be required from time to time from any statutory, regulatory or governmental authorities under applicable law, including but not limited to Securities and Exchange Board of India and the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited and which may be agreed by the Board / or any Committee thereof.
2. The Buy-Back Size represents upto 24.95% of the aggregate paid-up equity capital and free reserves including securities premium of the Company as per the standalone financial statements of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of the Board meeting held on March 14, 2019 approving the proposal of the Buy-Back) and is within the statutory limits of 25% of the fully paid-up equity capital and free reserves as per the latest audited standalone financial statements of the Company for the financial year ended March 31, 2018. The Equity Shares proposed to be bought back represent 4.52% of the total number of Equity Shares in the total paid-up Equity Share capital of the Company, as on March 31, 2018.
3. The Letter of Offer will be sent to the Eligible Shareholders as on the Record Date, i.e. Friday, May 10, 2019.
4. A copy of the Public Announcement (*as defined below*), this Draft Letter of Offer and Letter of Offer [including the Form of Acceptance-cum-Acknowledgement ("**Tender Form**")]] shall be available on the website of the Securities and Exchange Board of India at www.sebi.gov.in and on the website of the Company at www.eclerx.com.
5. The procedure for tender and settlement is set out in paragraph 20 (Procedure for Tender Offer and Settlement) on page 28 of this Draft Letter of Offer. Tender Form is enclosed together with this Draft Letter of Offer.
6. The payment of consideration is in cash to the Eligible Shareholder. For further details on the mode of consideration, please refer to paragraph 20 on page 28 of this Draft Letter of Offer.
7. The Eligible Shareholders are advised to read this Draft Letter of Offer and in particular, refer to paragraph 17 (*Details of the Statutory Approvals*) and paragraph 21 (*Note on Taxation*) on page 25 and 33, respectively, of this Draft Letter of Offer, before tendering their Equity Shares in the Buy-Back.
8. **All Eligible Shareholders 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 ("LODR 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.**

BUY-BACK OPENS ON: [●] DAY, [●], 2019

BUY-BACK CLOSURES ON: [●] DAY, [●], 2019

**LAST DATE AND TIME OF RECEIPT OF COMPLETED TENDER FORMS AND
OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR: [●] DAY, [●], 2019 by 5.00 PM IST**

MANAGER TO THE BUY-BACK

REGISTRAR TO THE BUY-BACK

Emkay[®]

Your success is our success

EMKAY GLOBAL FINANCIAL SERVICES LIMITED

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Email id: eclerx.buyback@emkayglobal.com;

Website: www.emkayglobal.com

SEBI Regn. No.: INM000011229

Validity Period: Permanent

CIN: L67120MH1995PLC084899

KARVY **FINTECH**

KARVY FINTECH PRIVATE LIMITED

Contact Person: Mr. M. Murali Krishna
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Website: www.karvyfintech.com

SEBI Regn. No.: INR000000221

Validity Period: Permanent

CIN: U72400TG2017PTC117649

*This Draft Letter of Offer will be updated at the time of filing the Letter of Offer with SEBI.

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ENCLOSE : TENDER FORM

1. SCHEDULE OF ACTIVITIES OF THE BUY-BACK

Activity	Date	Day
Date of the Board meeting to approve the proposal for Buy-Back of Equity Shares.	March 14, 2019	Thursday
Date of declaration of results of the postal ballot for Special Resolution by the Equity Shareholders, approving the Buy-Back.	April 26, 2019	Friday
Date of Public Announcement for the Buy-Back.	April 26, 2019	Friday
Date of publication of Public Announcement for the Buy-Back.	[•]	[•]
Record Date for determining the Buy-Back Entitlement and the names of Eligible Shareholders.	May 10, 2019	Friday
Buy-Back opens on / date of opening of the Buy-Back / Buy-Back Opening date.	[•]	[•]
Buy-Back closes on / date of closing of the Buy-Back / Buy-Back Closing date.	[•]	[•]
Last date of receipt of completed Tender Form and other specified documents by the Registrar to the Buy-Back.	[•]	[•]
Last date of verification of Tender Form by Registrar to the Buy-Back.	[•]	[•]
Last date of intimation to the Designated Stock Exchange regarding Acceptance or non-acceptance of tendered Equity Shares.	[•]	[•]
Last date of settlement of bids on the Designated Stock Exchange.	[•]	[•]
Last date of dispatch of share certificate(s) by Registrar to the Buy-Back / return of unaccepted demat Shares by Designated Stock Exchange to Seller Member / Eligible Shareholders.	[•]	[•]
Last date of extinguishment of Equity Shares.	[•]	[•]

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 specifies 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 SEBI Buy-Back Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Term	Description
Acceptance / Accept / Accepted	Acceptance of Equity Shares tendered by Eligible Shareholders in the Buy-Back Offer.
Acquisition Window	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 the SEBI Circulars.
Act or Companies Act	The Companies Act, 2013 and rules framed thereunder (including any statutory modifications or amendments thereof).
Additional Equity Shares / Additional Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buy-Back Entitlement of such Eligible Shareholder not exceeding the Equity Shares held by such Eligible Shareholder as on the Record Date.
Articles / Articles of Association	Articles of Association of the Company.
Board or Board of Directors	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof).
Board Meeting	Meeting of the Board of Directors of the Company held on March 14, 2019 approving the proposal for the Buy-Back.
BSE	BSE Limited.
Buy-Back / Buy-Back Offer / Offer	Buy-Back of not exceeding 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) fully paid-up Equity Shares at a price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) per Equity Share for an aggregate amount up to ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only) excluding Transaction Costs from the Equity Shareholders of the Company as on the Record Date, by way of Tender Offer through the Stock Exchange mechanism in terms of the SEBI Buy-Back Regulations read with SEBI Circulars, on a proportionate basis.
Buy-Back Closing Date	[•]
Buy-Back Committee / Share Buy-Back Committee / Committee	The Buy-Back Committee of the Board is constituted and authorized for the purposes of the Buy-Back by a resolution passed by the Board at its meeting held on March 14, 2019.

Term	Description
Buy-Back Entitlement or Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buy-Back, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio / percentage of Buy-Back applicable in the category to which such Eligible Shareholder belongs.
Buy-Back Opening Date	[●]
Buy-Back Period	The period between the date of declaration of results of the postal ballot for special resolution authorizing the Buy-Back of the Equity Shares of the Company and the date on which the payment of consideration to Shareholders who have Accepted the Buy-Back Offer is made (both days inclusive).
Buy-Back Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 1,500/- (Rupees One Thousand Five Hundred only) per Equity Share, payable in cash.
Buy-Back Size / Offer Size	Maximum number of Equity Shares proposed to be bought back upto 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) fully paid-up Equity Shares multiplied by the Buy-Back Price [i.e. a price of ₹1,500/- (Rupees One Thousand Five Hundred only) per Equity Share] aggregating to ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only).
CDSL	Central Depository Services (India) Limited.
Clearing Corporation	Indian Clearing Corporation Limited.
Closure of the Buy-Back	The date on which the payment of Buy-Back consideration to Eligible Shareholders who have Accepted the Buy-Back Offer is made.
Companies Act or Act	Companies Act, 2013, as amended and applicable Rules thereunder.
Company	eClerx Services Limited, unless the context states otherwise.
Company's Broker	Emkay Global Financial Services Limited.
Company's Demat Account	The depository account opened by the Company in relation to the Buy-Back.
Depositories	NSDL and CDSL.
Designated Stock Exchange / Stock Exchange	The designated stock exchange for the Buy-Back is BSE.
DIN	Director Identification Number.
Director	Director(s) of the Company.
DP	Depository Participant.
Draft Letter of Offer / DLOF	The draft letter of offer dated April 26, 2019 filed with SEBI through the Manager to the Buy-Back Offer, containing disclosures in relation to the Buy-Back as specified in Schedule III read along with Schedule IV of the SEBI Buy-Back Regulations.
DTAA	Double Taxation Avoidance Agreement.
Eligible Shareholders / Eligible Person / Equity Shareholders / Shareholders	Person(s) eligible to participate in the Buy-Back Offer and would mean all Equity Shareholders including beneficial owners, holding Equity Shares either in physical or dematerialized form as on the Record Date i.e. Friday, May 10, 2019.
Equity Shares / Shares	Fully paid-up equity shares of the Company each having a face value of ₹10/- (Rupees Ten only).
Escrow Account	The Escrow Account titled "eClerx Services Limited Buyback 2019 Escrow A/c" opened with the Escrow Agent in terms of Escrow Agreement.
Escrow Agent	Yes Bank Limited.
Escrow Agreement	The Escrow Agreement dated April 26, 2019 entered into between the Company, the Manager to the Buy-Back and the Escrow Agent.
Escrow Amount	Equivalent to 25% upto ₹100 crore and 10% thereafter of the total consideration payable by the Company under the Buy-Back, in accordance with the Regulations 9(xi)(b) of SEBI Buy-Back Regulations.
FCNR account	Foreign Currency Non-Resident Account.
FEMA	Foreign Exchange Management Act, 1999, as amended.
FII(s)	Foreign Institutional Investors means an institution who is registered under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FPI(s)	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
General Category	Eligible Shareholders other than Small Shareholders.
IT Act / Income Tax Act	Income-tax Act, 1961, (including any statutory modifications or re-enactment thereof).
Letter of Offer	Letter of Offer dated [●] to be filed with SEBI containing disclosures in relation to the Buy-Back as specified in Schedule III of the SEBI Buy-Back Regulations, including comments received from SEBI on the Draft Letter of Offer.
LODR Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Term	Description
Manager to the Buy-Back / Manager to the Offer / Manager	Emkay Global Financial Services Limited.
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FIIs, FPIs and erstwhile OCBs.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Bodies.
PAN	Permanent Account Number.
Postal Ballot Notice	Postal ballot notice dated March 14, 2019, through which the Shareholders of the Company approved the Buy-Back, results of which were announced on April 26, 2019.
Promoter(s)	Mr. Priyadarshan Mundhra and Mr. Anjan Malik.
Promoter Group	Mr. Vijay Kumar Mundhra, Ms. Shweta Mundhra, Ms. Supriya Modi and Mr. Pawan Malik.
Public Announcement / PA	The public announcement, issued in accordance with the SEBI Buy-Back Regulations, dated April 26, 2019, will be published on April 30, 2019 in all editions of Financial Express (English national daily), Jansatta (Hindi national daily) and the Mumbai edition of Mumbai Lakshadeep, a Marathi daily newspaper (Marathi being the regional language of Mumbai wherein the registered office of the Company is located), each with wide circulation.
Ratio of Buy-Back or Entitlement Ratio	(i) in case of Small Shareholders (" Reserved Category "), [●] Equity Shares for every [●] Equity Shares held by such Small Shareholder as on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Eligible Shareholder on the Record Date.
RBI	Reserve Bank of India.
Record Date	The date for the purpose of determining the Buy-Back Entitlement and the names of the Equity Shareholders to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the Buy-Back in accordance with the SEBI Buy-Back Regulations. The Record Date for the Buy-Back is Friday, May 10, 2019.
Registrar to the Buy-Back / Registrar	Karvy Fintech Private Limited.
SAST / Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including any amendments, statutory modifications or re-enactments thereof, for the time being in force and the SEBI Circulars.
SEBI	Securities and Exchange Board of India.
SEBI Buy-Back Regulations / Buy-Back Regulations	The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, for the time being in force and the SEBI Circulars.
SEBI Circulars	SEBI circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended.
Shareholder Broker / Seller Member(s)	A Stock Broker of an Eligible Shareholder through whom the Eligible Shareholder(s) want(s) to participate in the Buy-Back.
Small Shareholder	'Small Shareholder' means a shareholder of the Company, who holds Shares whose market value, on the basis of closing price of Shares, on the recognized stock exchange with highest trading volume in respect of such security, as on Record Date being Friday, May 10, 2019, is not more than ₹ 200,000/- (Rupees Two Lakhs only), as defined in Regulation 2(i)(n) of SEBI Buy-Back Regulations.
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed.
Tender Form / Offer Form	The Form of Acceptance-cum-Acknowledgment to be filled in by the Shareholders to participate in the Buy-Back.
Tender Offer	Method of Buy-Back as defined in Regulation 2(i)(q) of the SEBI Buy-Back Regulations.
Tendering Period	Period of 10 (Ten) Working Days from the Buy-Back Opening Date till the Buy-Back Closing Date (both days inclusive).
Transaction Costs	Cost incurred or to be incurred for the Buy-Back viz. towards transaction costs for the Buy-Back brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, filing fees, advisor fees, Public Announcement expenses, printing and dispatch expenses and other incidental and related expenses etc.
TRS	Transaction Registration Slip.
U.S.	United States / United States of America.
Working Day	Working day shall have the meaning ascribed under Regulation 2(i)(s) of the SEBI Buy-Back Regulations.

3. DISCLAIMER CLAUSE

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 Buy-Back commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buy-Back, Emkay Global Financial Services 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 Companies Act and SEBI Buy-Back Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buy-Back.

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 Draft Letter of Offer, the Manager to the Buy-Back 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 Buy-Back, Emkay Global Financial Services Limited, has furnished to SEBI a due diligence certificate dated April 26, 2019 in accordance with SEBI Buy-Back Regulations, which reads as follows:

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

- *The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buy-Back;*
- *All the legal requirements connected with the Offer including the SEBI (Buy-Back of Securities) Regulations, 2018, as amended, have been duly complied with;*
- *The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Equity Shareholders of the Company to make a well-informed decision in respect of the captioned Buy-Back;*
- *Funds used for the Buy-Back shall be as per the provisions of the Companies Act, 2013 including any amendments statutory modification(s) or re-enactment(s) thereof for time being in force.*

The filing of the offer document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buy-Back.

The Promoters / Board of Directors declare and confirm that no information / material which is likely to have a bearing on the decision of Eligible Shareholders, has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement / mis-representation and in the event of it transpiring at any point of time it is found that any information / material has been suppressed / withheld and / or amounts to a mis-statement / mis-representation, the Promoters / Board of Directors and the Company shall be liable to penalty in terms of the provisions of the Companies Act and the SEBI Buy-Back Regulations.

The Promoters / Board of Directors also declare and confirm that funds borrowed from banks and financial institutions, if any, will not be used for the Buy-Back.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subjected to rounding-off and casting adjustments. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

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 BUY-BACK.

Disclaimer for U.S. Persons:

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not US Persons as such term is defined in Regulations of the US Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Important Notice to All Shareholders:

1. This Draft Letter of Offer has been prepared for the purposes of compliance with the SEBI Buy-Back Regulations. 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 Buy-Back are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer. The Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Tender Offer, or where making this Tender Offer would require any action to be taken (including, but not restricted to, registration of the Letter

of Offer under any local securities laws), shall not be treated by such Shareholders as an Offer being made to them. Potential users of the information contained in the Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buy-Back 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 Buy-Back.

2. **Forward Looking Statement:**

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 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.

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

The Buy-Back through Tender Offer was considered and approved at the meeting of the Board held on March 14, 2019.

The extract of the resolution of the Board is as follows:

“RESOLVED THAT pursuant to Article 61 of the Articles of Association of the Company and in accordance with the provisions of Sections 68, 69, 70, 110, 179 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014, the Companies (Meetings of Board and its Powers) Rules, 2014, and other relevant rules made thereunder, each as amended from time to time (the **“Companies Act”**) and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations 2018, as amended (**“SEBI Buy-Back Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“SEBI Listing Regulations”**) (including any amendments, statutory modifications or re-enactments of the Companies Act or rules made thereunder, SEBI Buy-Back Regulations or SEBI Listing Regulations, for the time being in force) and subject to such other approvals, permissions, consents, sanctions and exemptions of Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**), the stock exchanges on which the equity shares of the Company are listed (the **“Stock Exchanges”**) and/ or other authorities, institutions or bodies (together with SEBI, Stock Exchanges and RBI, the **“Appropriate Authorities”**), as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by them while granting such approvals, permissions, consents, sanctions and exemptions which may be agreed and subject to the approval of the shareholders by way of a special resolution through postal ballot mechanism including electronic voting, the Board of Directors of the Company (the **“Board”**, which expression shall include any Committee constituted by the Board to exercise the powers conferred by this resolution) (the **“Buy-Back Committee”**) hereby consents and approves the buy-back by the Company of its fully paid-up equity shares of face value of ₹ 10/- each (Rupees Ten only) each (**“Equity Shares”**), not exceeding a maximum price of ₹ 1,600 (Rupees One Thousand Six Hundred only) per Equity Share (**“Maximum Buy-Back Price”**) payable in cash for a total consideration not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions), excluding transaction costs incurred or to be incurred for the Buy-Back viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, filing fees, advisor fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc. (**“Maximum Buy-Back Size”**), which is within 25% of the aggregate of the Company’s paid-up Equity Share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2018 from all the equity shareholders/ beneficial owners of the Equity Shares of the Company as on the record date, to be announced by the Board / Buy-Back Committee (**“Record Date”**), on proportionate basis through the ‘tender offer’ route, as prescribed under the SEBI Buy-Back Regulations (hereinafter referred to as the **“Buy-Back”**).

RESOLVED FURTHER THAT in terms of Regulation 4 of the SEBI Buy-Back Regulations, the Buy-Back shall be made out of the Company’s Securities Premium Account in the first instance and thereafter, if required, out of its free reserves and / or such other sources as may be permitted by applicable law through ‘tender offer’ route and as required by the SEBI Buy-Back Regulations and the Companies Act based on the latest standalone audited accounts of the Company for the financial year ended March 31, 2018 and that the payments shall be made out of the Company’s current surplus and / or cash balances and / or current investments and / or cash available from internal resources of the Company (and not from any borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

RESOLVED FURTHER THAT in terms of Regulation 6 of the SEBI Buy-Back Regulations, the Company may buy-back Equity Shares from the existing equity shareholders / beneficial owners of the Equity Shares of the Company as on Record Date (**“Eligible Shareholders”**), on proportionate basis, provided that 15% (Fifteen percent) of the number of Equity Shares which the Company proposes to buy-back or number of Equity Shares entitled as per the shareholding of small shareholders, as defined in the SEBI Buy-Back Regulations (**“Small Shareholders”**) as on the Record Date, whichever is higher, shall be reserved for the Small Shareholders as defined in the SEBI Buy-Back Regulations.

RESOLVED FURTHER THAT the total number of Equity Shares to be bought back would hence be 16,37,500 (Sixteen Lakhs Thirty Seven Thousand Five Hundred) Equity Shares representing 4.24% of outstanding number of fully paid up equity shares of the Company as on March 31, 2018, which may vary depending upon the final Buy-Back Price per Equity Share and final Buy-Back size as may be decided by the Board or the Buy-Back Committee.

RESOLVED FURTHER THAT the Company shall implement the Buy-Back using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular bearing CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular bearing CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereof.

RESOLVED FURTHER THAT the draft of the Declaration of Solvency as prescribed along with supporting affidavits and other documents, and placed before the meeting, be and is hereby approved and that any two Directors of the Company, one of whom shall be a Managing / Executive Director, be and are hereby authorized jointly to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies and the SEBI in accordance with applicable law.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Priyadarshan Mundhra, Executive Director, Mr. Anjan Malik, Non – Executive Director, Mr. Rohitash Gupta, Chief Financial Officer and Mr. Pratik Bhanushali, the Company Secretary be and are hereby severally authorized to make necessary applications to the statutory, regulatory or governmental authorities as may be required under the applicable law; to sign, execute and deliver all such papers, deeds, documents, agreements, undertakings, declarations and forms, which are necessary and incidental thereto and to do all such acts, deeds, matters and things and execute and sign all documents as may be required in connection with the above and to settle any questions or difficulties whatsoever may arise in relation to the implementation of Buy-Back or for matters incidental thereto and to file the necessary e-forms with the Registrar of Companies.

RESOLVED FURTHER THAT the Buy-Back from Eligible Shareholders who are non-residents members holding Equity Shares of the Company, 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, 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 confirmation is hereby made by the Board that:

- all Equity Shares of the Company are fully paid-up and the Company shall not buy-back Equity Shares which are subject to lock-in, during the pendency of the lock-in and the Equity Shares which are non-transferable, until the Equity Shares become transferable;
- the Buy-Back shall not result in delisting of the Equity Shares from the Stock Exchanges;
- the Company is not making an offer of Buy-Back within a period of one year reckoned from the date of closure of the previous Buy-Back period;
- the Company shall not raise further capital for a period of one year from the closure of the Buy-Back, except in discharge of subsisting obligations;
- The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-Back period;
- the Company shall not Buy-Back its Equity Shares or other specified securities from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in implementation of the Buy-Back;
- the Maximum Buy-Back Size, i.e. ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions), does not exceed 25% of the total paid-up capital and free reserves as per the audited standalone financial statement as on March 31, 2018;
- the maximum number of Equity Shares proposed to be purchased under the Buy-Back, does not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital of the Company as on date of this meeting;
- the Buy-Back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;
- there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;
- the Company shall not utilize any money borrowed from banks or financial institutions for the purpose of buying back its Equity Shares;
- the Company shall not directly or indirectly purchase its own Equity Shares:
 - (a) through any subsidiary company including its own subsidiary companies; or
 - (b) through any investment company or group of investment companies;
- the Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;
- there are no defaults subsisting in 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;
- the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-Back is not more than twice the paid-up capital and its free reserves or such other ratio as may be permissible;
- the Company shall transfer from its free reserves to the Capital Redemption Reserve account a sum equal to the nominal value of the Equity Shares purchased through the Buy-Back and details of such transfer shall be disclosed in its subsequent audited balance sheet;
- the Company shall not withdraw the Buy-Back after the public announcement of the offer to Buy-Back is made;
- as per Regulation 24(i)(e) of the SEBI Buy-Back Regulations, the promoter and members of promoter group, and / or their associates, other than the Company, shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoter and members of promoter group) from the date of passing the special resolution by postal ballot (i.e. the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting till the closing of the Buy-Back offer.

- the Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the SEBI Buy-Back Regulations and the Companies Act within 7 (seven) days of the last date of completion of the Buy-Back; and
- the statements contained in all the relevant documents in relation to the Buy-Back shall be true, material and factual and shall not contain any mis-statements or misleading information.

RESOLVED FURTHER THAT the Board hereby confirms that it has made a full inquiry into the affairs and prospects of the Company and based on the same, the Board has formed an opinion that:

- immediately following the date of this meeting and the date on which the results of shareholders' resolution passed by way of Postal Ballot / E-voting ("**Postal Ballot Resolution**") will be declared, there are no grounds on which the Company can be found unable to pay its debts;
- as regards the Company's prospects for the year immediately following the date of this meeting and for the year immediately following the Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting as well as the date of the Postal Ballot Resolution; and
- that in forming its opinion for the above purpose, the Board has taken into account the liabilities as if the Company is being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

RESOLVED FURTHER THAT the Board do obtain from the Company's statutory auditors, the certificate / report required in accordance with the provisions of the SEBI Buy-Back Regulations.

RESOLVED FURTHER THAT Emkay Global Financial Services Limited, a SEBI registered Category – I Merchant Banker, be and is hereby appointed as the Manager to the Buy-Back.

RESOLVED FURTHER THAT a Committee of the Board to be known as the "**Buy-Back Committee**" be constituted with the following members:

No.	Name of the Member	Designation in the Board	Designation in the Committee
1	Mr. Priyadarshan Mundhra	Executive Director	Chairperson
2	Mr. Anjan Malik	Non-Executive Director	Member
3	Mr. Shailesh Kekre	Independent Director	Member
4	Mr. Anish Ghoshal	Independent Director	Member

RESOLVED FURTHER THAT Mr. Pratik Bhanushali, the Company Secretary shall act as the Secretary to the Buy-Back Committee.

RESOLVED FURTHER THAT the Buy-Back Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, including but not limited to:

- finalising the terms of Buy-Back such as the aggregate amount to be utilised for the Buy-Back, including the price and the number of Equity Shares to be bought back within the statutory limits, the mechanism for the Buy-Back, entitlement ratio and the timeframe for completion of the Buy-Back;
- to seek all regulatory approvals, if any, including the Securities and Exchange Board of India ("**SEBI**"), for implementing the Buy-Back;
- to decide the specified date / Record Date for the purpose of Buy-Back;
- execution of escrow arrangements in accordance with SEBI Buy-Back Regulations;
- earmarking and making arrangements for adequate sources of funds for the purpose of the Buy-Back, including arranging for bank guarantees as may be necessary for the Buy-Back in accordance with applicable law;
- to open, operate and close one or more bank accounts including escrow accounts, if any, and to enter into escrow and other agreements with and to give instructions to the bankers in connection therewith, and provide bank guarantee(s) as may be required on such terms as deemed fit and to decide authorised signatories to such bank accounts, including escrow accounts;
- to open, operate and close one or more depository account / trading account / buyer broker account and to open, operate and close special trading window account with both the BSE Limited and the National Stock Exchange of India Limited and to decide the authorized signatories for depository account / trading account / buyer broker account / special trading window account;
- to authorize bankers to act upon the instructions of the Manager to the Buy-Back as required under the SEBI Buy-Back Regulations;
- appointing, authorizing, entering into agreements and finalising the terms of Manager to the Buy-Back, brokers, escrow agents, registrars, legal counsel, depository participants, scrutinizer, compliance officer, custodians, advertising agencies and such other consultants, intermediaries, agencies for implementation of the Buy-Back;
- preparing, executing and filing of various documents as may be necessary or desirable in connection with or incidental to the Buy-Back including public announcement, draft and final letter of offer, declaration of solvency, extinguishment of Equity Shares and certificate of extinguishment required to be filed in connection with the Buy-Back on behalf of the Board with SEBI, the stock exchanges and other authorities;

- to address any queries that may arise in relation to implementation of the Buy-Back including queries or difficulties raised by SEBI, Stock Exchanges, Registrar of Companies and other authorities in relation to the Buy-Back;
- extinguishment of dematerialised shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buy-Back on behalf of the Company and / or Board, as required under applicable law;
- to decide on the opening date for commencing the offer for Buy-Back and closing date thereof;
- to decide the ‘designated stock exchange’ for the Buy-Back;
- to issue, furnish and make disclosures, certificates, returns, confirmations etc. as may be required under the Companies Act, SEBI Buy-Back Regulations or other applicable laws and to file such documents with the relevant persons as may be required under the Companies Act, SEBI Buy-Back Regulations or other applicable law;
- to deal with stock exchanges (including their clearing corporations) where the equity shares of the Company are listed and to sign, execute and deliver such documents as may be necessary or desirable in connection with implementation of the Buy-Back using the “**Mechanism for acquisition of shares through Stock Exchange**” notified by SEBI vide circular bearing CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular bearing CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereof;
- to approve certificates requiring Committee’s/Board’s approval pursuant to the provisions of the SEBI Buy-Back Regulations;
- to obtain all necessary certificates and reports from Statutory Auditors and other third parties as required under applicable law.
- to adopt text of and publish the relevant Buy-Back Offer Documents before and after the Buy-Back;
- to verify the offer / acceptances received and to finalise basis of acceptance;
- to release payment to the Eligible Shareholders towards consideration for shares bought back pursuant to the Buy-Back;
- to issue rejection letters, if any;
- to take appropriate action for removal of difficulties, if any, and to decide on all matters in connection with or incidental to, the implementation of the Buy-Back;
- to authorise the Manager to the Buy-Back, Registrar or other agencies appointed for the purpose of buyback to carry out any of the above activities;
- providing such confirmation and opinions as may be required in relation to the Buy-Back;
- to do all such acts, matters and things incidental and in connection with the Buy-Back and sign and deliver such documents as may be necessary, desirable and expedient.

RESOLVED FURTHER THAT the Buy-Back Committee be and is hereby authorised to delegate all or any of the authorities conferred upon it to any officer(s) / authorized signatory(ies) of the Company.

RESOLVED FURTHER THAT in compliance with Regulation 24(3) of the SEBI Buy-Back Regulations, Mr. Pratik Bhanushali, the Company Secretary be and is hereby appointed as the Compliance Officer for the Buy-Back and Karvy Fintech Private Limited, be and is hereby nominated as the investors service centre to redress the grievances of the investors.

RESOLVED FURTHER THAT the Company shall, before opening of the Buy-Back offer, create an escrow account, either in form of bank guarantee or cash deposit or deposit of securities with appropriate margin or a combination thereof, towards security performance of its obligations as may be prescribed under the Companies Act and the SEBI Buy-Back Regulations and, on such terms and conditions as the Board or the Buy-Back Committee thereof may deem fit.

RESOLVED FURTHER THAT no information / material likely to have a bearing on the decision of the shareholders has been / shall be suppressed / withheld and / or incorporated in the manner that would amount to mis-statement / misrepresentation.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer, or confer any obligation on the Company or the Board or the Buy-Back Committee to buy-back any shares, or impair any power of the Company or the Board to terminate any process in relation to such Buy-Back, if permitted by law.

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

RESOLVED FURTHER THAT the particulars of the Equity Share certificates extinguished and destroyed shall be furnished by the Company to the stock exchanges within seven days of such extinguishment or destruction of the certificates and the dematerialised Equity Shares shall be extinguished and destroyed in the manner as specified under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the bye-laws, circulars, guidelines framed thereunder, each as amended, and that the Company Secretary be and is hereby authorized to do all such acts as may be required for this purpose.

RESOLVED FURTHER THAT Mr. Priyadarshan Mundhra, Executive Director, Mr. Rohitash Gupta, Chief Financial Officer and Mr. Pratik Bhanushali, the Company Secretary be and are hereby severally authorized to submit the necessary intimations to the Stock Exchanges in relation to this resolution, as may be required under the SEBI Listing Regulations and to do all such acts, deeds, things as may be incidental or ancillary to give effect to this resolution.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

- 5.1 In accordance with Regulation 7(i) of the SEBI Buy-Back Regulations, the Company has issued a Public Announcement dated April 26, 2019 in relation to the Buy-Back which will be published in the following newspapers on April 30, 2019, which is within 2 (Two) Working Days from the date of passing the special resolution by the Equity Shareholders approving Buy-Back through postal ballot, the results of which were declared on April 26, 2019.

Publication / Newspaper	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai

- 5.2 The Company will publish further notices or corrigenda, if any, in the aforementioned newspapers.
- 5.3 A copy of Public Announcement is available on the website of the Company at www.eclerx.com and expected to be available on the SEBI website www.sebi.gov.in and on the website of Stock Exchanges at www.nseindia.com and www.bseindia.com during the period of the Buy-Back.

6. DETAILS OF THE BUY-BACK

- 6.1 The Board of Directors of eClerx Services Limited, at their meeting held on March 14, 2019 approved, the Buy-Back of Equity Shares at a price not exceeding ₹ 1,600/- (Rupees One Thousand Six Hundred only) per Equity Share up to an aggregate amount not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred And Twenty Millions only) excluding the Transaction Costs, which is within 25% of the total paid-up equity capital and free reserves including securities premium as per the latest audited standalone financial statements of the Company for the financial year ended March 31, 2018, through the “Tender Offer” as prescribed under the SEBI Buy-Back Regulations on a proportionate basis, from the Shareholders of the Company as on the Record Date, in accordance with the provisions of the Act and the SEBI Buy-Back Regulations. The Shareholders of the Company have approved the Buy-Back, by way of special resolution, through postal ballot / remote e-voting which was sought by the Company vide Postal Ballot Notice dated March 14, 2019, the results of which were announced on April 26, 2019. The Shareholders have authorized the Board and / or its Buy-Back Committee to determine the total amount to be deployed in the Buy-Back, final Buy-Back Price and accordingly, number of Equity Shares to be bought back. The Buy-Back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including SEBI, and the Stock Exchanges.
- 6.2 Since the Offer Size for the Buy-Back is more than 10% of the total paid-up Equity Share Capital and free reserves as per the latest audited standalone financial statements of the Company for the financial year ended March 31, 2018, the Board had sought the approval of the shareholders of the Company for the Buy-Back, by way of a special resolution in terms of Section 68(2)(b) of the Act and Regulation 5(i)(b) of the SEBI Buy-Back Regulations. Pursuant to the Shareholders approval, the Buy-Back Committee at its meeting held on April 26, 2019, has determined the final Buy-Back Price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) and the final aggregate amount for Buy-Back to be ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only) excluding Transaction Costs, which is 24.95% of the total paid-up equity capital and free reserves including securities premium as per the latest audited standalone financial statements of the Company for the financial year ended March 31, 2018. With the Buy-Back Price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) and Buy-Back Size of ₹ 2,620 Millions (Rupees Two Thousand Six Hundred And Twenty Millions only), the total number of Equity Shares to be bought back in the Buy-Back shall be 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each, representing 4.52% of the total number of Equity Shares in the total paid-up Equity Share capital of the Company, as on March 31, 2018.
- 6.3 The Buy-Back is being undertaken in terms of Chapter III of the SEBI Buy-Back Regulations through Tender Offer route and in accordance with Article 61 of the Articles, Sections 68, 69, 70, 110, 179 and all other applicable provisions of the Companies Act, if any, including the Companies (Share Capital and Debentures) Rules, 2014, the LODR Regulations, to the extent applicable and the SEBI Buy-Back Regulations read with the SEBI Circulars.
- 6.4 The Buy-Back shall be undertaken on a proportionate basis from the Eligible Shareholders as on the Record Date being Friday, May 10, 2019, through the Tender Offer route prescribed under Regulation 4(iv)(a) of the SEBI Buy-Back Regulations, provided that 15% (Fifteen percent) of the number of Equity Shares which the Company proposes to Buy-Back or number of Equity Shares entitled as per the shareholding of Small Shareholders as on the Record Date, whichever is higher, shall be reserved for the Small Shareholders, as prescribed under the proviso to Regulation 6 of the SEBI Buy-Back Regulations and in accordance with “Mechanism for acquisition of shares through Stock Exchanges” as prescribed. Additionally, the Buy-Back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified by SEBI Circulars. For this purpose, BSE will be the Designated Stock Exchange and will provide the Acquisition Window for facilitating tendering of Equity Shares under Buy-Back.
- 6.5 The Buy-Back from the Eligible Shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), FPIs, NRIs, shareholders of foreign nationality, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such Non-Resident Shareholders.
- 6.6 The aggregate paid-up equity capital and free reserves including securities premium as per the latest audited standalone financial statements of the Company as on March 31, 2018 was ₹ 10,501.28 Millions and under the provisions of the Act, the funds deployed for Buy-Back shall not exceed 25% of the paid-up capital and free reserves including securities premium of the Company under shareholder approval route. Accordingly, the maximum amount that can be utilized in the present Buy-Back is ₹ 2,625.32 Millions.

- 6.7 The aggregate amount proposed to be utilised for the Buy-Back is ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only), excluding Transaction Costs, which is within the maximum amount as aforesaid. The said amount works out to be 24.95% of the aggregate of the total paid-up equity share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2018, which is within the prescribed limit of 25% of the Act.
- 6.8 Further, under the Act, the number of equity shares that can be bought back during the financial year shall not exceed 25% of the paid-up equity shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 96,57,270 (Ninety Six Lakhs Fifty Seven Thousand Two Hundred and Seventy) Equity Shares being 25% of 3,86,29,082 (Three Crores Eighty Six Lakhs Twenty Nine Thousand and Eighty Two) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each, being the total number of Equity Shares in the paid-up Equity Share capital of the Company as on March 31, 2018. Since the Company proposes to Buy-Back upto 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) Equity Shares, the same is within the aforesaid limit.
- 6.9 Buy-Back Price represents a premium of 42.92% and 41.23% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the three months preceding March 7, 2019 (the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back) and premium of 50.06% and 48.23% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, for two weeks preceding March 7, 2019 (the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back). The Buy-Back Price represents a premium of 32.24% and 32.43% over the closing prices on BSE and on NSE respectively as on April 26, 2019, the date of Buy-Back Committee meeting to determine final terms of the Buy-Back and premium of 30.47% and 30.90% over the closing prices on BSE and on NSE respectively as on March 14, 2019, the date of Board of Directors meeting to approve the Buy-Back Offer.
- 6.10 The shareholding of the Promoter and Promoter Group of the Company and its percentage with respect to the total paid-up Equity Share capital as on the date of the Public Announcement, is as follows:

Sr. No.	Name of Shareholder	No. of Shares held	% Holding
1	Priyadarshan Mundhra	9,763,430	25.21
2	Anjan Malik	9,759,430	25.20
3	Vijay Kumar Mundhra	20,779	0.05
4	Shweta Mundhra	292	0.00
5	Supriya Modi	17,761	0.05
6	Pawan Malik	Nil	Nil
	Total	19,561,692	50.51

The Promoter and Promoter Group hold 50.51% of the Equity Shares in the total outstanding Equity Share capital of the Company as on date of the Public Announcement. For details with respect to the Promoter and Promoter Group shareholding post Buy-Back, please refer to paragraph 13 of this Draft Letter of Offer. There is no company which forms a part of the Promoter and Promoter Group.

- 6.11 In terms of the SEBI Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have an option to participate in the Buy-Back. In this regard, except Mr. Vijay Kumar Mundhra, Ms. Shweta Mundhra and Mr. Pawan Malik, all the persons belonging to the Promoter and Promoter Group of the Company, have vide their letters dated March 12, 2019 and March 13, 2019 as applicable, expressed intention to tender their Equity Shares in the Buy-Back upto maximum of such number of Shares which is equal to their respective Entitlement under the Buy-Back.
- 6.12 Pursuant to the proposed Buy-Back and depending on the response to the Buy-Back, the voting rights of the Promoter and Promoter Group in the Company may increase or decrease from the existing 50.51% holding in the total paid-up Equity Share capital and voting rights of the Company. The Promoter and Promoter Group of the Company are already in control over the Company and therefore such increase / decrease in voting rights of the Promoter and Promoter Group will not result in any change in control over the Company.
- 6.13 The Buy-Back of Equity Shares may be subject to capital gain taxation in India and in the country of residence of the Eligible Shareholders. The transaction of Buy-Back would also be chargeable to securities transaction tax in India. However, in view of the particularized nature of tax consequences, Eligible 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 in this regard.
- 6.14 Except as disclosed in paragraph 13.10, no Equity Shares were purchased or sold or transferred by the Promoter and Promoter Group during the period of 12 (Twelve) months preceding the date of the Public Announcement i.e. April 26, 2019.

7. AUTHORITY FOR THE BUY-BACK

- 7.1 The Buy-Back is being undertaken by the Company in accordance with Article 61 of the Articles of Association, the provisions of section 68, 69, 70, 110, 179 and other applicable provisions, if any, of the Companies Act, LODR Regulations and the SEBI Buy-Back Regulations. The Buy-Back is subject to such other approvals, permissions and sanctions, as may be necessary, from time to time required from statutory, regulatory or governmental authorities under applicable law, including but not limited to SEBI and Stock Exchanges.
- 7.2 The Board at its meeting dated March 14, 2019, passed a resolution approving the Buy-Back of Equity Shares of the Company and sought approval of its Shareholders, by way of a special resolution, through Postal Ballot Notice dated March 14, 2019. The results of the postal ballot / e-voting were announced on April 26, 2019. The shareholders of the Company have approved the Buy-Back by way of a special resolution, through the postal ballot (including e-voting) in accordance with the provisions of Section 110 of the Act and Rule 22 of the Management Rules, as aforesaid. The final terms of Buy-Back were decided by Buy-Back Committee at its meeting held on April 26, 2019

8. NECESSITY OF THE BUY-BACK

8.1 The Buy-Back is being proposed by the Company to return surplus funds to the Eligible Shareholders, which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, efficient and cost-effective manner. The Buy-Back would increase the shareholders' value and would also help the Company in fulfilling the following objectives:

- The Buy-Back will help the Company to return surplus cash to its Equity Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Equity Shareholders;
- The Buy-Back, which is being implemented through the Tender Offer as prescribed under the SEBI Buy-Back Regulations, would involve allocation of 15% of the outlay to Small Shareholders. The Company believes that this reservation of 15% for Small Shareholders would benefit a large number of public shareholders, who would get classified as "Small Shareholder";
- The Buy-Back may help in improving return on equity due to reduction in the equity base, thereby leading to long term increase in shareholders' value;
- The Buy-Back will help in achieving an optimal capital structure.

8.2 The Buy-Back gives an option to the Eligible Shareholders of the Company, to either (i) choose to participate and get cash in lieu of Equity Shares to be Accepted under the Buy-Back Offer or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back Offer, without additional investment.

8.3 The Board at its meeting held on March 14, 2019 considered the financial results and the cash liquidity reflected in the latest audited standalone financial statements for the financial year ended March 31, 2018 and considering these, the Board decided to allocate a sum not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only), excluding the Transaction Costs, for distributing to the Equity Shareholders holding Equity Shares of the Company through the Buy-Back.

9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUY-BACK ON THE COMPANY

9.1 The Buy-Back is not likely to cause any material impact on the profitability or 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. In the event that there is 100% Acceptance of the Equity Shares tendered in the Buy-Back from Eligible Shareholders on a proportionate basis, the funds deployed by the Company towards the Buy-Back would be ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only), excluding the Transaction Costs.

9.2 The Buy-Back is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.

9.3 In terms of the SEBI Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have an option to participate in the Buy-Back. In this regard, except Mr. Vijay Kumar Mundhra, Ms. Shweta Mundhra and Mr. Pawan Malik, all the persons belonging to the Promoter and Promoter Group of the Company, have vide their letters dated March 12, 2019 and March 13, 2019 as applicable, expressed intention to tender their Equity Shares in the Buy-Back upto maximum of such number of Shares which is equal to their respective Entitlement under the Buy-Back.

9.4 Details of the date and price of acquisition of the Equity Shares that are held by Promoter and Promoter Group, who are participating in the Buy-Back, are set-out below:

A. Priyadarshan Mundhra

Date of Acquisition / Disposal	No. of Shares	Nature of Transaction	Nature of Consideration	Consideration (in ₹)
March 24, 2000	10	Subscription to Memorandum	Cash	100.00
May 30, 2000	4,980	Further Allotment	Cash	49,800.00
July 29, 2005	154,690	Bonus Issue	Nil	Nil
September 16, 2005	244,510	Bonus Issue	Nil	Nil
June 20, 2007	(625)	Gift	Nil	Nil
June 20, 2007	(625)	Gift	Nil	Nil
June 20, 2007	(625)	Gift	Nil	Nil
June 20, 2007	(10)	Gift	Nil	Nil
August 31, 2007	5,632,270	Bonus Issue	Nil	Nil
December 20, 2007	(356,000)	Offer for sale at Initial Public Offer ('IPO')	Cash	112,140,000.00
July 28, 2010	2,839,287	Bonus Issue	Nil	Nil
June 3, 2011	(600,000)	Sale	Cash	462,294,165.57
November 5, 2015	(250,000)	Sale	Cash	435,832,589.98
December 21, 2015	2,555,954	Bonus Issue	Nil	Nil
December 19, 2016	(254,819)	Buy-Back	Cash	509,638,000.00
March 13, 2018	(284,618)	Buy-Back	Cash	569,236,000.00
May 28, 2018	(22,949)	Open Market Sale	Cash	29,374,720.00
June 5, 2018	20,000	Gift of shares from Vijay Kumar Mundhra	Nil	Nil
June 6, 2018	(8,000)	Inter-se transfer of shares to Anjan Malik	Cash	10,246,400.00
June 11, 2018	90,000	Open Market Purchase	Cash	117,965,700.00
Total Shareholding	9,763,430		-	

B. Anjan Malik

Date of Acquisition / Disposal	No. of Shares	Nature of Transaction	Nature of Consideration	Consideration (in ₹)
May 30, 2000	5,000	Allotment	Cash	50,000.00
July 29, 2005	155,000	Bonus Issue	Nil	Nil
September 16, 2005	245,000	Bonus Issue	Nil	Nil
August 11, 2007	(1,250)	Gift	Nil	Nil
August 11, 2007	(625)	Gift	Nil	Nil
August 11, 2007	(625)	Gift	Nil	Nil
August 31, 2007	5,635,000	Bonus Issue	Nil	Nil
December 20, 2007	(356,000)	Offer for sale at IPO	Cash	112,140,000.00
July 28, 2010	2,840,750	Bonus Issue	Nil	Nil
June 3, 2011	(600,000)	Sale	Cash	462,242,653.10
November 5, 2015	(250,000)	Sale	Cash	435,912,128.22
December 21, 2015	2,557,416	Bonus Issue	Nil	Nil
December 19, 2016	(254,965)	Buy-Back	Cash	509,930,000.00
March 13, 2018	(284,781)	Buy-Back	Cash	569,562,000.00
May 28, 2018	(28,490)	Open Market sale	Cash	36,467,200.00
June 6, 2018	8,000	Inter-se transfer of shares from Priyadarshan Mundhra (Promoter)	Cash	10,246,400.00
June 11, 2018	90,000	Open Market Purchase	Cash	117,990,000.00
Total Shareholding	9,759,430		-	

C. Supriya Modi

Date of Acquisition / Disposal	No. of Shares	Nature of Transaction	Nature of Consideration	Consideration (in ₹)
June 20, 2007	625	Gift	Nil	Nil
August 31, 2007	8,750	Bonus Issue	Nil	Nil
July 28, 2010	4,687	Bonus Issue	Nil	Nil
December 21, 2015	4,687	Bonus Issue	Nil	Nil
December 19, 2016	(467)	Buy-Back	Cash	934,000.00
March 13, 2018	(521)	Buy-Back	Cash	1,042,000.00
Total Shareholding	17,761		-	

- 9.5 Assuming response to the Buy-Back is to the extent of 100% (full Acceptance) from all the Equity Shareholders upto their Buy-Back Entitlement, the aggregate shareholding of the Promoter and Promoter Group, post the Buy-Back may increase to [●]% from 50.51% prior to the Buy-Back, and the aggregate shareholding of the public in the Company post Buy-Back may decrease to [●]% from 49.49% prior to the Buy-Back. The actual percentage ownership could vary depending on overall percentage responses / Acceptance. Participating Promoter and Promoter Group have undertaken that if, as a result of Buy-Back Offer, the public shareholding of the Company falls below 25% of the total paid-up Equity Share Capital of the Company, the Promoter and Promoter Group will reduce their shareholding in such manner and in compliance with the second proviso to the Regulation 10(4)(c) of the SAST, Regulation 38 of LODR Regulations and Rule 19A of the Securities Contracts (Regulations) Rules 1957, so that the minimum public shareholding remains at or above 25%.
- 9.6 The holding of the Promoters before and after the Buy-Back is given in paragraph 13 below.
- 9.7 The Buy-Back shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.8 Consequent to the Buy-Back and based on the number of Equity Shares bought back from the Eligible Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, their shareholding pattern of the Company would undergo a change. The FIIs / FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buy-Back.
- 9.9 Assuming full Acceptance of the Buy-Back, the debt equity ratio of the Company post Buy-Back shall be compliant within the permissible limit of 2:1 under the Companies Act.
- 9.10 In compliance with Regulation 24 (i) (b) of SEBI Buy-Back Regulations, the Company shall not issue any equity shares or other equity securities (including by way of bonus) till the date of Closure of the Buy-Back.
- 9.11 The Company shall not raise further capital for a period of 1 (One) year from the Closure of the Buy-Back except in discharge of its subsisting obligations.
- 9.12 The Buy-Back is not expected to impact growth opportunities of the Company.
- 9.13 The Promoters or their associates shall not deal in the Equity Shares of the Company including off market transaction or inter-se transfer amongst Promoters / Promoter Group for the period between the date of passing of the special resolution through postal ballot i.e. April 26, 2019 and the date of the Closure of the Buy-Back in accordance with the SEBI Buy-Back Regulations.

- 9.14 Salient financial parameters consequent to the Buy-Back based on the latest audited standalone financial statements as of March 31, 2018, of the Company are as under:

Parameters (based on audited standalone financial statements for year ended March 31, 2018)	Pre Buy-back	Post Buy-back (Assuming Full Acceptance)
Net worth (₹ in Millions)	10,953.49	8,333.49
Return on Net worth (%)	25.39	33.37
Earnings Per Share (₹)	69.87	73.07
Book Value per Share (₹)	283.55	225.95
P/E as per the latest audited standalone financial statements	17.20	16.44
Total Debt / Equity Ratio	NA	NA

Notes:

- Pre and Post Buy-back calculations are based on audited standalone financial statements as on March 31, 2018. The post Buy-back numbers are calculated by reducing from the net worth, the proposed Buy-back amount (assuming full acceptance) without factoring in any other impact to the net worth. Simultaneously, Outstanding Equity Shares (for calculating the EPS) have been calculated by reducing the Maximum Number of Equity Shares to be bought back from the Pre Buy-Back number of shares.
- Net worth is calculated as aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited standalone financial statements as on March 31, 2018, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Return on Net Worth = Profit After Tax (PAT) / Net Worth.
- EPS = PAT / Weighted Average No. of Shares.
- PAT is Profit After Tax before Other Comprehensive Income.
- Share price used to calculate P/E has been taken as closing price of March 28, 2018 on NSE i.e. ₹ 1,201.50.
- Book Value per Share = Net Worth / Total Outstanding Shares as on March 31, 2018.
- Debt Equity Ratio = Total Debt / Net Worth.

10. BASIS OF CALCULATING THE BUY-BACK PRICE

- The Equity Shares of the Company are proposed to be bought back at a price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) per Equity Share.
- The Buy-Back Price has been arrived at after considering various factors, including, but not limited to (i) the trends in the volume weighted average prices of the Equity Shares of the Company, traded on the BSE and NSE where the Equity Shares are listed, (ii) the net-worth of the Company, (iii) price earnings ratio, (iv) the impact on other financial parameters and (v) the possible impact of Buy-Back on the earnings per share.
- The Buy-Back Price represents a premium of 42.92% and 41.23% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the three months preceding March 7, 2019 (the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back), and premium of 50.06% and 48.23% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, for two weeks preceding March 7, 2019 (the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back). The Buy-Back Price represents a premium of 32.24% and 32.43% over the closing prices on BSE and on NSE respectively as on April 26, 2019, the date of Buy-Back Committee meeting to determine final terms of the Buy-Back and premium of 30.47% and 30.90% over the closing prices on BSE and on NSE respectively as on March 14, 2019, the date of Board of Directors meeting to approve the Buy-Back Offer.
- The closing market price of the Equity Shares as on the date of intimation to the Stock Exchanges of the Board Meeting for considering the Buy-Back (i.e. March 14, 2019) was ₹ 1,035 on BSE and ₹ 1,034.60 on NSE.
- The Buy-Back Price is ₹ 1,500/- (Rupees One Thousand Five Hundred only) whereas the book value per Equity Share of the Company as of March 31, 2018 was Rs 283.56 per Equity Share.
- The basic earnings per Equity Share of the Company pre Buy-Back was Rs 69.87 per Equity Share as on March 31, 2018 which will increase to ₹ 73.07 per Equity Share, post Buy-Back, assuming full Acceptance of the Buy-Back.
- The Return on Networth of the Company was 25.39% as on March 31, 2018 which will increase to 33.37% after the Buy-Back assuming full Acceptance of the Buy-Back.
- The Company confirms that the ratio of the aggregate of secured and unsecured debts owed by the Company, if any, will not be more than twice the paid-up capital and free reserves after the Buy-Back.

11. SOURCES OF FUNDS FOR THE BUY-BACK

- Assuming full Acceptance, the funds that would be utilized by the Company for the purpose of the Buy-Back would be ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only) excluding Transaction Costs.
- The Buy-Back shall be made out of the its Securities Premium Account in the first instance and thereafter, if required, out of the Company's free reserves and / or such other sources as may be permitted by applicable law based on the latest audited standalone financials of the

Company for the financial year ended March 31, 2018 and that the payments shall be made out of the Company's current surplus and / or cash balances and / or current investments and / or cash available from internal resources of the Company, based on the latest audited standalone financial statement of the Company for the financial year ended March 31, 2018. The Company shall transfer a sum equal to the nominal value of the Equity Shares bought back through the Buy-Back to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited standalone financial statement and Annual Report(s).

- 11.3 The funds for the Buy-Back will be sourced from internal accruals of the Company. The Company does not intend to raise any debt for the explicit purposes of the Buy-Back. Thus, borrowed funds will not be used for the Buy-Back. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.4 This Buy-Back is not likely to cause any material impact on the 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.

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

- 12.1 In accordance with Regulation 9(xi) of the SEBI Buy-Back Regulations, the Company has appointed YES Bank Limited, having its registered office at Nehru Center, 9th floor, Discovery of India, Dr. A.B. Road, Worli, Mumbai - 400 018, India, as the Escrow Agent for the aforementioned Buy-Back. The Company, the Manager to the Offer and the Escrow Agent have entered into an Escrow Agreement dated April 26, 2019 pursuant to which the Escrow Account in the name and style "eClerx Services Limited Buyback 2019 Escrow A/c" has been opened with the Escrow Agent. In compliance with the provisions of the SEBI Buy-Back Regulations, the Company proposes to deposit the applicable Escrow Amount in the form of bank guarantee, which has been issued by YES Bank Limited from its bank branch located at SCO 151-152, Madya Marg, Sector 9 C, Chandigarh -160017 in favor of the Manager for an amount of ₹ 412 Millions (Rupees Four Hundred Twelve Millions only), being equivalent to 25% upto ₹100 crore and 10% thereafter of the total consideration payable by the Company under the Buy-Back, assuming full Acceptance. The Bank Guarantee shall be valid until 30 days after the closure of the Buy-Back. The Bank Guarantee is valid till August 9, 2019 or till the completion of all obligation under the SEBI Buy-Back Regulations, whichever is later, provided the validity of the guarantee will not exceed August 9, 2019 unless extended thereof. Further, the Company has deposited cash of ₹ 26.2 Millions (Rupees Twenty Six Millions Two Hundred Thousand only) in the Escrow Account, which is equal to 1% of the total consideration payable by the Company under the Buy-Back, assuming full Acceptance, in compliance with the provisions of SEBI Buy-Back Regulations. The Manager has been empowered to operate the Escrow Account in accordance with the SEBI Buy-Back Regulations.
- 12.2 The Company has adequate and firm financial resources to fulfill its obligations under the Buy-Back. M/s. H. M. Vasant & Co., Chartered Accountants, has certified through letter dated April 26, 2019, that the Company has adequate funds for the purposes of the Buy-Back of 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) at price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) per Equity Share. The details of the independent chartered accountant are as follows:

M/s. H. M. Vasant & Co.,

Chartered Accountants

4/41, Emmanuel Apartments, 16B Proctor Road, Mumbai 400 007

Contact No.: 9820177847

Email: hvassant@gmail.com

ICAI Firm Registration No.: 112913W

Membership No.: 46073

- 12.3 Based on the aforementioned certificate, the Manager to the Buy-Back confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buy-Back are in place and that the Company has the ability to implement the Buy-Back in accordance with the SEBI Buy-Back Regulations.
- 12.4 The Escrow Agent, who had issued a Bank Guarantee, is not an associate or part of the group of the Company.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The present Capital Structure of the Company as on the date of the Public Announcement i.e. April 26, 2019 is as follows:

Sr. No.	Particulars	Amount (in ₹)
A	AUTHORISED SHARE CAPITAL	
	50,010,000 Equity shares of ₹ 10/- each	500,100,000
B	ISSUED, SUBSCRIBED AND PAID UP CAPITAL BEFORE THE BUY-BACK	
	38,730,067 Equity shares of ₹ 10/- each	387,300,670
C	ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE BUY-BACK*	
	36,983,401 Equity shares of ₹ 10/- each	369,834,010

* Assuming full Acceptance in the Buy-Back Offer in the Ratio of Buy-Back

- 13.2 Details of Buy-Back done by the Company in the past three Financial Years is as follows:

No. of Equity shares bought back	Buy-Back Price (₹)	Opening date	Closing date	Method
12,90,000	2,000/-	February 22, 2018	March 8, 2018	Tender Offer
11,70,000	2,000/-	November 28, 2016	December 9, 2016	Tender Offer

- 13.3 There are no partly paid up Equity Shares or calls in arrears or preference shares and it does not have any convertible securities as on the date of this Draft Letter of Offer. However, 10,26,656 (Ten Lakhs Twenty Six Thousand Six Hundred and Fifty Six) Stock Options are outstanding under two Employee Stock Option Scheme(s) of the Company to be exercised at weighted average price of ₹ 1,241.88/- per Stock Option.
- 13.4 The Company shall not issue any Equity Shares including by way of bonus, from the date of Public Announcement till the Closure of the Buy-Back.
- 13.5 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act.
- 13.6 There are no locked-in Equity Shares.
- 13.7 **Shareholding pattern of the Company**

The shareholding pattern of the Company as on the Record Date (pre Buy-Back) i.e. Friday, May 10, 2019 as well as post Buy-Back is set out below:

Particulars	Pre Buy-Back		Post Buy-Back*	
	No. of Equity Shares	% of Present Equity Share Capital	No. of Equity Shares	% of Post Buy-Back Equity Share Capital
Promoter and Promoter Group	19,561,692	50.51	[●]	[●]
Foreign Investors (including Non Resident Indians / FIIs / FPI / Foreign Bodies Corporate / Foreign Nationals etc.)	[●]	[●]	[●]	[●]
Financial Institutions / Banks/NBFCs and Mutual Funds / Insurance Companies	[●]	[●]		
Others (Public, Bodies Corporate, Clearing Members, Trust and HUF)	[●]	[●]		
TOTAL	38,730,067	100.00	36,983,401	100.00

*Assuming full Acceptance of Equity Shares in the Buy-Back Offer in the Ratio of Buy-Back.

- 13.8 Assuming response to the Buy-Back is to the extent of 100% (full Acceptance) from all the Equity Shareholders upto their Buy-Back Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buy-Back may increase to [●]% from 50.51% prior to the Buy-Back.
- 13.9 The aggregate shareholding of the Promoter and Promoter Group of the Company as on the date of the Board Meeting at which the proposal for Buy-Back was approved and the date of the Postal Ballot Notice, being March 14, 2019 and on the date of the Public Announcement, is as follows:

Sr. No	Name	Category	No. of Shares held	% Holding
1.	Priyadarshan Mundhra	Promoter	9,763,430	25.22
2.	Anjan Malik	Promoter	9,759,430	25.21
3.	Vijay Kumar Mundhra	Promoter Group	20,779	0.05
4.	Shweta Mundhra	Promoter Group	292	0.00
5.	Supriya Modi	Promoter Group	17,761	0.05
6.	Pawan Malik	Promoter Group	Nil	Nil

- 13.10 Except as stated below, no Equity Shares of the Company have been purchased or sold or transferred by Promoter and Promoter Group and person in control of the Company during a period of 12 (Twelve) months preceding the date of the Public Announcement i.e. April 26, 2019:

Name of Promoter / Promoter Group / Directors of the Promoter Company	Nature of Transaction	No. of Equity Shares purchased / (sold)	Date of Transaction	Consideration (in ₹)
Priyadarshan Mundhra	Open Market Sale	(22,949)	May 28, 2018	29,374,720.00
	Gift of shares from Vijay Kumar Mundhra	20,000	June 5, 2018	Nil
	Inter-se transfer of shares to Anjan Malik	(8,000)	June 6, 2018	10,246,400.00
	Open Market Purchase	90,000	June 11, 2018	117,965,700.00
Anjan Malik	Open Market sale	(28,490)	May 28, 2018	36,467,200.00
	Inter-se transfer of shares from Priyadarshan Mundhra	8,000	June 6, 2018	10,246,400.00
	Open Market Purchase	90,000	June 11, 2018	117,990,000.00
Vijay Kumar Mundhra	Gift of shares to Priyadarshan Mundhra	(20,000)	June 5, 2018	Nil

14. BRIEF INFORMATION OF THE COMPANY

14.1 History of the Company

The Company was incorporated on March 24, 2000 as “eClerx Services Private Limited” as per certificate of incorporation issued by Registrar of Companies, Mumbai, under the Companies Act, 1956. Pursuant to a resolution passed by the shareholders of the Company on August 1, 2007, the Company was converted into a public limited company and consequently the name of the Company was changed to “eClerx Services Limited”. A fresh certificate of incorporation reflecting the new name was issued by the Registrar of Companies, Mumbai on August 28, 2007. The registered office of the Company is situated at Sonawala Building, 1st Floor, 29 Bank Street, Fort, Mumbai 400 023.

14.2 Overview of the Business

eClerx Services Limited (“eClerx”) provides critical business operations services to over fifty global Fortune 500 clients, including some of the world’s leading companies across financial services, cable & telecom, retail, fashion, media & entertainment, manufacturing, travel & leisure, software and high-tech. Incorporated in 2000, eClerx is one of India’s leading process management and data analytics companies and is today traded on the Stock Exchanges. eClerx employs 9,500+ people across its global sites in the US, UK, India, Italy, Germany, Singapore, Thailand. For more information, please visit www.eclerx.com.

14.3 Products of the Company and details of its Infrastructural set-up

eClerx is a process management and data analytics Company providing critical business operations services to clients operating in industries like financial services, cable & telecom, retail, fashion, media & entertainment, manufacturing, travel & leisure, software and high tech. eClerx has presence over 50+ countries with delivery centres at Pune, Mumbai, Chandigarh, Phuket and Fayetteville in North Carolina and sales offices at London, Austin, Philadelphia, New York, Dublin, Germany, London, France, Italy and Singapore. eClerx products comprise of service offerings in three categories named as eClerx Customer Operations, eClerx Digital and eClerx Markets.

eClerx Customer Operations comprise of services offerings to clients for customer interaction monitoring mystery shopping, avoidable truck rolls, dispatch services reverse logistics, advanced chat services, advanced technical support, sales support, automation and AI, business insights and analytics and platforms tools under product basket of Contact Quality Monitoring & Insights, Advanced Technical Operations, Digital Care Services and Analytics & Automation.

eClerx Digital comprise of services offerings to clients operating in industries like Financial Services, Retail and eTail, Software, High Tech, Travel & Leisure, Luxury & Fashion and Cable & Telecom on the solutions related to web content management, eMail campaign management, creative production, digital analytics + testing & optimization, search customer experience, call center customer experience, data management, personalization, campaign operations, site search optimization, loyalty modeling and analytics, SEO, SEM and site search optimization, digital content operations (CMS/WCM), competitive pricing intelligence, predictive modelling, FLuiiD4 (digital asset workflow tool), omnichannel guidelines preparation, product content creation (imagery & videography), multi-channel campaign management, including asset preparation, MTO in-store & on-line applications and forecasting.

eClerx Financial Markets comprise of services offerings to clients with solutions like supporting post-execution activities across all instruments types both cash and derivatives, gathering, validating, digitizing and distributing client related information, ensuring compliance with local regulations across multiple jurisdictions, organisation wide data management solutions covering client, product, market and risk-related information, supporting management of all corporate actions, income collection, claim settlements, and position reconciliations, complete service covering position and cash reconciliations, static data management, collateral management and forecasting, full spectrum of analytical services from business intelligence and digital analytics to predictive modelling and forecasting.

14.4 Growth of Business

In May 2012, eClerx acquired Agilyst Inc., a leading outsourcing services provider to global broadband, cable & telecom organizations. It is now fully integrated within the eClerx parent brand as eClerx Customer Operations. Also, in April 2015, eClerx acquired CLX Europe – a global media content creation, and delivery solution company with over 40 years of experience working with many of the world’s largest retail, publishers and luxury brands, to form an alliance that provides industry leading standards of Creative & Digital Services. The combined companies’ capabilities are highly complementary, and now form a continuous value chain of creative asset development, digital multi-channel production, data management, and analytics and insights. The Company was recently ranked as one of Forbes Asia’s 200 Best under a Billion List and has won two Brandon Hall Awards for Excellence in Learning & Development, along with multiple Teleos’ Most Admired Knowledge Enterprise awards. Mr. Priyadarshan Mundhra and Mr. Anjan Malik are majority shareholders in eClerx and are actively involved in the strategic direction of the Company along with the executive management team.

For the financial years ended March 31, 2018, 2017 and 2016, the Company recorded total income of ₹ 11,878.48 Millions, ₹ 11,905.01 Millions and ₹ 11,448.15 Millions respectively, and profit after tax of ₹ 2,781.19 Millions, ₹ 3,311.48 Millions and ₹ 2,948.50 Millions respectively on a Standalone basis.

14.5 The Equity Shares of the Company are listed on BSE and NSE.

BSE Security Code: 532927

NSE Symbol: ECLERX

14.6 Equity Share Capital History of the Company

History of the equity share capital of the Company since incorporation is as follows:

Date of Issue / Allotment / Offer	No. of shares issued / allotted / bought back	Face Value (₹)	Type of Issue	Cumulative No. of shares
March 24, 2000	20	10	Initial Allotment on subscription to Memorandum	20
May 30, 2000	9,980	10	Allotment	10,000
March 16, 2005	2,500	10	Allotment	12,500
July 29, 2005	387,500	10	Bonus Shares	400,000
September 16, 2005	612,500	10	Bonus Shares	1,012,500
July 16, 2007	30,375	10	Allotment	1,042,875
August 11, 2007	30,375	10	Allotment	1,073,250
August 31, 2007	30,250	10	Allotment	1,103,500
August 31, 2007	15,449,000	10	Bonus Shares	16,552,500
December 2007	2,316,349	10	Fresh Issuance in IPO	18,868,849
May 6, 2008	3,100	10	ESOP - Allotment	18,871,949
June 12, 2008	11,250	10	ESOP - Allotment	18,883,199
July 8, 2008	24,000	10	ESOP - Allotment	18,907,199
August 12, 2008	16,900	10	ESOP - Allotment	18,924,099
October 7, 2008	2,900	10	ESOP - Allotment	18,926,999
April 27, 2009	7,500	10	ESOP - Allotment	18,934,499
May 18, 2009	3,500	10	ESOP - Allotment	18,937,999
June 8, 2009	10,500	10	ESOP - Allotment	18,948,499
August 11, 2009	53,500	10	ESOP - Allotment	19,001,999
September 11, 2009	3,750	10	ESOP - Allotment	19,005,749
November 5, 2009	8,500	10	ESOP - Allotment	19,014,249
December 9, 2009	5,000	10	ESOP - Allotment	19,019,249
January 12, 2010	10,000	10	ESOP - Allotment	19,029,249
February 11, 2010	1,850	10	ESOP - Allotment	19,031,099
April 20, 2010	9,200	10	ESOP - Allotment	19,040,299
May 17, 2010	1,500	10	ESOP - Allotment	19,041,799
June 16, 2010	25,000	10	ESOP - Allotment	19,066,799
July 1, 2010	10,550	10	ESOP - Allotment	19,077,349
July 28, 2010	9,538,674	10	Bonus Shares	28,616,023
August 25, 2010	120,250	10	ESOP - Allotment	28,736,273
October 21, 2010	11,450	10	ESOP - Allotment	28,747,723
November 18, 2010	13,800	10	ESOP - Allotment	28,761,523
December 16, 2010	61,150	10	ESOP - Allotment	28,822,673
January 12, 2011	5,450	10	ESOP - Allotment	28,828,123
February 14, 2011	14,500	10	ESOP - Allotment	28,842,623
March 28, 2011	11,811	10	ESOP - Allotment	28,854,434
April 14, 2011	6,200	10	ESOP - Allotment	28,860,634
May 18, 2011	15,700	10	ESOP - Allotment	28,876,334
June 10, 2011	13,800	10	ESOP - Allotment	28,890,134
July 7, 2011	35,650	10	ESOP - Allotment	28,925,784
August 5, 2011	65,500	10	ESOP - Allotment	28,991,284
September 9, 2011	20,700	10	ESOP - Allotment	29,011,984
October 5, 2011	1,500	10	ESOP - Allotment	29,013,484
December 7, 2011	3,500	10	ESOP - Allotment	29,016,984
January 5, 2012	18,800	10	ESOP - Allotment	29,035,784
February 7, 2012	21,750	10	ESOP - Allotment	29,057,534
April 12, 2012	17,700	10	ESOP - Allotment	29,075,234
May 10, 2012	75,350	10	ESOP - Allotment	29,150,584
June 12, 2012	44,049	10	ESOP - Allotment	29,194,633
July 12, 2012	84,051	10	ESOP - Allotment	29,278,684

Date of Issue / Allotment / Offer	No. of shares issued / allotted / bought back	Face Value (₹)	Type of Issue	Cumulative No. of shares
August 6, 2012	82,250	10	ESOP - Allotment	29,360,934
September 11, 2012	14,450	10	ESOP - Allotment	29,375,384
October 11, 2012	104,050	10	ESOP - Allotment	29,479,434
November 16, 2012	30,000	10	ESOP - Allotment	29,509,434
December 17, 2012	73,750	10	ESOP - Allotment	29,583,184
January 10, 2013	104,000	10	ESOP - Allotment	29,687,184
February 12, 2013	15,200	10	ESOP - Allotment	29,702,384
March 8, 2013	172,201	10	ESOP - Allotment	29,874,585
May 10, 2013	30,200	10	ESOP - Allotment	29,904,785
June 10, 2013	42,000	10	ESOP - Allotment	29,946,785
July 9, 2013	107,875	10	ESOP - Allotment	30,054,660
July 19, 2013	34,997	10	ESOP - Allotment	30,089,657
September 5, 2013	(196)	10	Shares bought back extinguished	30,089,461
October 8, 2013	(37,427)	10	Shares bought back extinguished	30,052,034
March 11, 2014	124,873	10	ESOP – Allotment	30,176,907
April 15, 2014	10,200	10	ESOP – Allotment	30,187,107
May 12, 2014	13,100	10	ESOP – Allotment	30,200,207
June 10, 2014	34,700	10	ESOP – Allotment	30,234,907
June 27, 2014	53,175	10	ESOP – Allotment	30,288,082
August 13, 2014	2,300	10	ESOP – Allotment	30,290,382
August 28, 2014	4,002	10	ESOP – Allotment	30,294,384
September 11, 2014	9,999	10	ESOP – Allotment	30,304,383
October 13, 2014	11,300	10	ESOP – Allotment	30,315,683
November 11, 2014	10,000	10	ESOP – Allotment	30,325,683
December 10, 2014	15,203	10	ESOP – Allotment	30,340,886
January 12, 2015	3,250	10	ESOP – Allotment	30,344,136
February 11, 2015	2,499	10	ESOP – Allotment	30,346,635
March 10, 2015	4,250	10	ESOP – Allotment	30,350,885
April 17, 2015	10,000	10	ESOP – Allotment	30,360,885
May 12, 2015	25,587	10	ESOP – Allotment	30,386,472
June 9, 2015	5,168	10	ESOP – Allotment	30,391,640
July 1, 2015	48,193	10	ESOP – Allotment	30,439,833
August 10, 2015	3,067	10	ESOP – Allotment	30,442,900
September 11, 2015	15,101	10	ESOP – Allotment	30,458,001
October 12, 2015	29,634	10	ESOP – Allotment	30,487,635
November 9, 2015	42,835	10	ESOP – Allotment	30,530,470
November 24, 2015	11,359	10	ESOP – Allotment	30,541,829
December 21, 2015	10,180,609	10	Bonus Shares	40,722,438
January 8, 2016	11,556	10	ESOP – Allotment	40,733,994
February 9, 2016	31,091	10	ESOP – Allotment	40,765,085
March 8, 2016	23,601	10	ESOP – Allotment	40,788,686
April 9 2016	4,068	10	ESOP – Allotment	40,792,754
May 11, 2016	24,458	10	ESOP – Allotment	40,817,212
June 8, 2016	6,663	10	ESOP – Allotment	40,823,875
June 24, 2016	9,550	10	ESOP – Allotment	40,833,425
August 10, 2016	18,554	10	ESOP – Allotment	40,851,979
August 25, 2016	30,371	10	ESOP – Allotment	40,882,350
December 22, 2016	(1,170,000)	10	Shares bought back extinguished	39,712,350
January 13, 2017	47,648	10	ESOP – Allotment	39,759,998
February 8, 2017	14,695	10	ESOP – Allotment	39,774,693
March 8, 2017	9,478	10	ESOP – Allotment	39,784,171
April 11, 2017	12,383	10	ESOP – Allotment	39,796,554

Date of Issue / Allotment / Offer	No. of shares issued / allotted / bought back	Face Value (₹)	Type of Issue	Cumulative No. of shares
May 17, 2017	36,725	10	ESOP – Allotment	39,833,279
June 7, 2017	8,567	10	ESOP – Allotment	39,841,846
July 6, 2017	13,068	10	ESOP – Allotment	39,854,914
August 3, 2017	18,784	10	ESOP – Allotment	39,873,698
September 7, 2017	4,933	10	ESOP – Allotment	39,878,631
October 6, 2017	10,343	10	ESOP – Allotment	39,888,974
November 2, 2017	1,461	10	ESOP – Allotment	39,890,435
December 05, 2017	28,647	10	ESOP – Allotment	39,919,082
March 13, 2018	(12,90,000)	10	Shares bought back extinguished	38,629,082
April 6, 2018	13,785	10	ESOP – Allotment	38,642,867
May 8, 2018	12,987	10	ESOP – Allotment	38,655,854
June 13, 2018	1,855	10	ESOP – Allotment	38,657,709
July 6, 2018	6,359	10	ESOP – Allotment	38,664,068
August 7, 2018	13,988	10	ESOP – Allotment	38,678,056
September 6, 2018	7,364	10	ESOP – Allotment	38,685,420
October 4, 2018	1,766	10	ESOP – Allotment	38,687,186
November 6, 2018	2,465	10	ESOP – Allotment	38,689,651
December 5, 2018	4,033	10	ESOP – Allotment	38,693,684
January 7, 2019	5,831	10	ESOP – Allotment	38,699,515
February 6, 2019	7,417	10	ESOP – Allotment	38,706,932
March 7, 2019	4,163	10	ESOP – Allotment	38,711,095
April 10, 2019	18,972	10	ESOP – Allotment	38,730,067
Total Equity Shares	38,730,067		-	

All ESOP Allotments were allotted under ESOP Schemes 2005, 2008 and 2011 of the Company.

14.7 Board of Directors of the Company

The details of the Board of Directors of the Company as on the date of Public Announcement i.e. April 26, 2019 are as follows:

Name, DIN, Age, Qualification and Occupation of Director	Date of Appointment / Re-appointment	Designation	Directorships in Other Companies and Bodies Corporate
Priyadarshan Mundhra DIN: 00281165 Age: 46 Qualification: Bachelor's Degree in Commerce, and a Master's Degree in Business Administration with major in finance Occupation: Business Executive	Date of Original Appointment: 24/03/2000 Term: Re-appointed as Executive Director w.e.f. April 1, 2015 for a period of 5 years i.e. upto March 2020	Executive Director	<ol style="list-style-type: none"> 1. Dia Exports Private Limited 2. Vishaal Exports Private Limited 3. Chandak Exports Private Limited 4. N T Estates and Investments Private Limited 5. Consolidated Properties Private Limited 6. Vinayak Properties Private Limited 7. Ambassador Estates and Investments Private Limited 8. Urvashi Realtors Private Limited 9. Mukund Realtors Private Limited 10. Riddhi-Siddhi Realtors Private Limited 11. Anmol Realtors Private Limited 12. Innovative Impex Private Limited 13. Infinity Dealtrade LLP 14. Toplake Commercial LLP 15. Aqua Dealmark LLP 16. CLX Europe, SPA
Anjan Malik DIN: 01698542 Age: 48 Qualification: Bachelors Degree in Physics and Masters of Business Administration degree in Finance Occupation: Business Executive	Date of Original Appointment: 10/05/2000 Term: Liable to retire by rotation	Non-Executive, Non-Independent Director	<ol style="list-style-type: none"> 1. eClerx LLC, US 2. eClerx Limited, UK 3. eClerx Private Limited, Singapore 4. eClerx Investments(UK) Limited 5. eClex Canada Limited

Name, DIN, Age, Qualification and Occupation of Director	Date of Appointment / Re-appointment	Designation	Directorships in Other Companies and Bodies Corporate
Anish Ghoshal DIN: 00276807 Age: 54 Qualification: Bachelor's degree in Law Occupation: Legal Practitioner	Date of Original Appointment: 11/08/2007 Term: Re-appointed by the shareholders through resolution passed by Postal Ballot on October 25, 2018 for a term upto March 31, 2024	Non-Executive, Independent Director	1. Netel (India) Limited 2. Uttam Foma Techno Cast Private Limited 3. Koch Chemical Technology Group India Private Limited
Pradeep Kapoor DIN: 00053199 Age: 73 Qualification: Bachelor's degree in Mechanical Engineering Occupation: Business Executive	Date of Original Appointment: 11/08/2007 Term: Re-appointed by the shareholders through resolution passed by Postal Ballot on October 25, 2018 for a term upto March 31, 2024	Chairman, Non- Executive, Independent Director	NIL
Biren Chandrakant Gabhawala DIN: 03091772 Age: 54 Qualification: Chartered Accountant and Bachelor's degree in Commerce Occupation: Practicing Chartered Accountant	Date of Original Appointment: 18/05/2011 Term: Re-appointed by the shareholders through resolution passed by Postal Ballot on October 25, 2018 for a term upto March 31, 2024	Non-Executive, Independent Director	3M India Limited
Alok Goyal DIN: 05255419 Age: 48 Qualification: MBA INSEAD (General Management), MS in Computer Sciences, B.Tech in Computer Science and Engineering Occupation: Business Executive	Date of Original Appointment: 18/05/2012 Term: Re-appointed by the shareholders through resolution passed by Postal Ballot on March 25, 2018 for a term upto March 31, 2024	Non-Executive, Independent Director	1. Quicko Technosoft Labs Private Limited 2. Iskcon Farm Lands Private Limited 3. Signzy Technologies Private Limited 4. 930 Technologies Private Limited 5. Loadshare Networks Private Limited 6. Stellaris Advisors, LLP
Deepa Kapoor DIN: 06828033 Age: 51 Qualification: Master of Business Administration and Majors in Computer Science and Mathematics Occupation: Business Executive	Date of Original Appointment: 11/03/2014 Term: Re-appointed by the shareholders through resolution passed by Postal Ballot on October 25, 2018 for a term upto March 31, 2024	Non-Executive, Independent Director	Nil
Shailesh Kekre DIN: 07679583 Age: 46 Qualification: Master of Business Administration and B.Tech in Electrical Engineering Occupation: Business Executive	Date of Original Appointment: 15/03/2017 Term: Appointed in 17th Annual General Meeting held on August 22, 2017 for a term upto March 14, 2022	Non-Executive, Independent Director	Nil

- 14.8 The details of changes in the Board of Directors during the last three years preceding the date of the Public Announcement (i.e. April 26, 2019) are as under:

Name of Director	Appointment / Resignation	Effective Date	Reasons
Shailesh Kekre	Appointment	March 15, 2017	Appointed as an Additional Director and subsequently was appointed as an Independent Director.
Vikram Limaye	Resignation	June 10, 2017	Resignation
Vijay Kumar Mundhra	Cessation	November 1, 2017	Disqualification under Section 164 of the Companies Act, 2013

- 14.9 The Buy-Back will not result in any benefit to any Director of the Company / Promoters of the Company / Promoter Group / person in control of the Company except to the extent of their intention to participate in the Buy-Back and the change in their shareholding as per the response received in the Buy-Back, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share capital post Buy-Back.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

- 15.1 The salient financial information of the Company as extracted from the standalone audited financial statements for the last three years being March 31, 2018, March 31, 2017 and March 31, 2016 and from unaudited standalone financial results nine months' period ended December 31, 2018, are as given below:

(₹ Millions, except per share data)

Particulars	9 Months period ended (Un-audited)	12 Months period ended March 31 (Audited)		
	December 31, 2018	2018	2017	2016
Revenue from Operations	8,471.15	11,440.21	11,620.22	11,058.85
Other Income	434.88	438.27	284.79	389.30
Total Income	8,906.03	11,878.48	11,905.01	11,448.15
Total Expenses (excluding finance cost, depreciation & amortization)	6,615.82	7,968.13	7,487.03	7,145.85
Finance Cost	0	0	0	0
Depreciation and amortization expenses	182.75	295.99	364.07	416.63
Profit before tax	2,107.46	3,614.36	4,053.91	3,885.67
Provision for tax (including Deferred Tax)	575.71	833.17	742.43	937.17
Profit/(Loss) after tax	1,531.75	2,781.19	3,311.48	2,948.50
Equity Share Capital	386.94	386.29	397.84	407.89
Other Equity	11,920.24	10,567.20	10,595.44	9,277.56
Networth¹	12,307.18	10,953.49	10,993.28	9,685.45
Total Debt (Excluding working capital loans)	NA	NA	NA	NA

Notes:

1. Net worth is calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited standalone financial statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

15.2 Key Financial Ratios:

Particulars	9 Months period ended (Un-audited) ¹	12 Months period ended March 31 (Audited)		
	December 31, 2018	2018	2017	2016
Earnings Per Share (EPS) (₹) ²	39.61	69.87	81.68	72.52
Debt Equity Ratio ³	NA	NA	NA	NA
Book Value per Share (₹) ⁴	318.07	283.56	276.32	237.45
Return on Net worth (%) ⁵	12.45	25.39	30.12	30.44

Notes:

1. Not annualized.
2. $EPS = PAT / \text{Weighted Average No. of Shares}$.
3. $\text{Debt Equity Ratio} = \text{Total Debt} / \text{Net Worth}$.
4. $\text{Book Value per Share} = \text{Net Worth} / \text{Total Outstanding Shares as at end of period}$.
5. $\text{Return on Net Worth} = \text{Profit After Tax (PAT)} / \text{Net Worth at the end of the relevant period}$.

6. Net worth is calculated as aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

15.3 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with sections 68, 69 and 70 of the Companies Act.

16. STOCK MARKET DATA

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

16.2 The high, low and average market prices, total volume of Equity Shares traded in preceding 3 (Three) Financial Years and the monthly high, low and average market prices and total volume of Equity Shares traded for the 6 (Six) months preceding the date of publication of Public Announcement and the corresponding volumes on NSE (stock exchange where Company's shares are most frequently traded) are as follows:

Period	High (₹) ~	Date of High	Number of Shares traded on that date	Low (₹) @	Date of Low	Number of Shares traded on that date	Average Price (₹) #	Total Volume traded in the period (Shares)
PRECEDING 3 YEARS								
FY2019	1,397.00	23-Apr-18	1,04,085	976.00	13-Feb-19	7,942	1,156.34	56,45,262
FY2018	1,609.00	24-Jan-18	1,47,856	1,161.00	25-Sep-17	16,487	1,329.09	94,60,670
FY2017	1,784.40	30-Aug-16	3,29,613	1,279.95	1-Apr-16	7,583	1,452.43	77,38,362
PRECEDING 6 MONTHS								
Mar-19	1,174.95	22-Mar-19	2,47,365	1,020.10	1-Mar-19	6,406	1,109.75	12,69,264
Feb-19	1,076.35	1-Feb-19	61,240	976.00	13-Feb-19	7,942	1,006.93	2,11,783
Jan-19	1,113.75	17-Jan-19	5,425	985.15	31-Jan-19	60,186	1,069.02	1,44,569
Dec-18	1,130.00	17-Dec-18	1,18,738	1,005.30	10-Dec-18	11,398	1,079.63	4,07,427
Nov-18	1,229.50	15-Nov-18	1,06,838	1,001.15	30-Nov-18	70,412	1,082.34	3,72,101
Oct-18	1,111.00	17-Oct-18	7,933	1,015.00	8-Oct-18	16,822	1,055.11	1,15,941

(Source: www.nseindia.com)

~High is the highest price recorded for the equity share of the Company during the said period.

@ Low is the lowest price recorded for the equity share of the Company during the said period.

Average Price is the arithmetical average of closing prices during the said period.

16.3 The high, low and average market prices, total volume of Equity Shares traded in preceding 3 (Three) Financial Years and the monthly high, low and average market prices and total volume of Equity Shares traded for the 6 (Six) months preceding the date of publication of Public Announcement and the corresponding volumes on NSE (stock exchange where Company's shares are most frequently traded) are as follows:

Period	High (₹) ~	Date of High	Number of Shares traded on that date	Low (₹) @	Date of Low	Number of Shares traded on that date	Average Price (₹) #	Total Volume traded in the period (Shares)
PRECEDING 3 YEARS								
FY2019	1,390.00	23-Apr-18	2,854	958.00	13-Feb-19	816	1,155.39	6,86,736
FY2018	1,608.00	24-Jan-18	23,114	1,141.65	25-Sep-17	6,079	1,328.45	25,42,879
FY2017	1,775.00	30-Aug-16	63,872	1,280.00	1-Apr-16	629	1,451.60	16,32,520
PRECEDING 6 MONTHS								
Mar-19	1,179.00	22-Mar-19	20,776	1,022.45	5-Mar-19	541	1,110.93	94,679
Feb-19	1,065.00	15-Feb-19	599	958.00	13-Feb-19	816	1,008.11	23,504
Jan-19	1,117.00	17-Jan-19	4,323	991.00	31-Jan-19	4,129	1,067.77	27,737
Dec-18	1,125.00	17-Dec-18	347	1,013.65	4-Dec-18	1,151	1,079.09	18,305
Nov-18	1,230.50	15-Nov-18	10,791	1,006.50	30-Nov-18	1,123	1,081.23	22,643
Oct-18	1,108.65	17-Oct-18	834	1,000.00	8-Oct-18	809	1,055.61	20,466

(Source: www.bseindia.com)

~High is the highest price recorded for the equity share of the Company during the said period.

@ Low is the lowest price recorded for the equity share of the Company during the said period.

Average Price is the arithmetical average of closing prices during the said period.

16.4 The closing market price of the Equity Shares on BSE and NSE as on March 13, 2019, being the working day previous to the day the Board approved the proposal for Buy-Back, was ₹ 1,104.85 and ₹ 1,101.55 respectively.

16.5 The closing market price of the Equity Shares on BSE and NSE as on March 15, 2019, being the working day after to the day of resolution of the Board approving the proposal for Buy-Back, was ₹ 1,116.40 and ₹ 1,116.35 respectively.

17. DETAILS OF THE STATUTORY APPROVALS

17.1 The Buy-Back has been approved by the Board of Directors in its meeting held on March 14, 2019 and by Shareholders by a Special Resolution through Postal Ballot, the results of which were declared on April 26, 2019.

17.2 The Buy-Back is subject to approvals, if any, required under the provisions of the Companies Act, the SEBI Buy-Back Regulations, and applicable rules and regulations as specified by RBI under FEMA and / or such other applicable rules and regulations for the time being in force.

17.3 Buy-Back from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities including RBI, as applicable. NRI must obtain all applicable approvals required to tender the Equity Shares held by them in this Buy-Back (including the approval from the RBI). It is the obligation of such Non-Resident Shareholders and NRI shareholders, to determine the applicability of such approvals, obtain such approvals and submit such approvals along with the Tender Form, so as to enable them to tender Equity Shares in the Buy-Back and for the Company to purchase such Equity Shares, tendered.

17.4 Erstwhile Overseas Corporate Bodies (“OCBs”) are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buy-Back Offer.

17.5 The Company shall not Accept Equity Shares from Non-Resident Shareholders, NRI and OCBs in respect of whom such applicable statutory or regulatory approval is required and copies of such approvals are not submitted.

17.6 The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not to Accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required and the copies of such approvals are not submitted.

17.7 As on date, there are no other statutory or regulatory approval required to implement the Buy-Back other than those indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buy-Back will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory / regulatory approvals is delayed, changes to the proposed schedule of activities of the Buy-Back, if any, shall be intimated to Stock Exchanges.

18. THE DETAILS OF THE REGISTRAR TO THE BUY-BACK AND COLLECTION CENTRES

18.1 The details of Registrar to the Buy-Back are as follows:



Contact Person: Mr. M. Murali Krishna

Karvy Selenium, Tower- B, Plot No 31 & 32, Gachibowli Financial District,
Nanakramguda, Hyderabad 500032, Telangana.

Tel. No.: +91 40 6716 2222

Fax No.: +91 40 2343 1551

Email id: eclerx.buybackoffer@karvy.com

Website: www.karvyfintech.com

SEBI Regn. No.: INR000000221

Validity Period: Permanent

CIN: U72400TG2017PTC117649

18.2 Collection Centres

Eligible Shareholders who wish to tender their Equity Shares are requested to submit their Form(s) and all requisite documents along with TRS generated by the exchange bidding system either by registered post / courier to the Registrar to the Buy-Back, super scribing the envelope as “eClerx Services Limited Buy-Back Offer 2019”, or hand deliver the same to the office of the Registrar at the above mentioned address, so that the same are received not later than 2 (two) working days from the Buy-Back Closing Date i.e. [●] (by 5.00 p.m.).

THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY-BACK.

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

19. PROCESS AND METHODOLOGY FOR THE BUY-BACK

19.1 The Company proposes to Buy-Back upto 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) fully paid-up Equity Shares from the Eligible Shareholders as on the Record Date, on a proportionate basis, through Tender Offer at a price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) per Equity Share, payable in cash for a total consideration not exceeding ₹ 2,620 Millions (Rupees Two Thousand Six Hundred and Twenty Millions only) excluding Transaction Costs, constituting 24.95% of the aggregate paid-up Equity Share capital and free reserves, as per the latest audited standalone financial statements of the Company for the financial year ended March 31, 2018. The maximum number of Equity Shares proposed to be bought back represents 4.52% of the total number of Equity Shares in the total paid-up Equity Share capital of the Company, as on March 31, 2018. The Buy-Back is in accordance with the provisions of Article 61 of the Articles of Association of the Company, Sections 68, 69, 70, 110, 179 and all other applicable provisions, if any,

of the Companies Act and Regulation 4(iv)(a) of the SEBI Buy-Back Regulations and other applicable provisions contained in the SEBI Buy-Back Regulations. The Equity Shareholders approved the Buy-Back by way of a special resolution through postal ballot, the results of which were announced on April 26, 2019. The Buy-Back is subject to such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and / or regulatory authorities, including but not limited to SEBI, BSE and NSE. The Buy-Back Size does not exceed 25% of the fully paid-up Equity Share capital and free reserves as per the latest audited standalone financial statements of the Company for the year ended March 31, 2018.

The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buy-Back and accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buy-Back.

- 19.2 The aggregate shareholding of the Promoter as at the date of the Public Announcement is 1,95,61,692 (One Crore Ninety Five Lakhs Sixty One Thousand Six Hundred and Ninety Two) Equity Shares which represents 50.51% of the total subscribed and paid-up equity share capital of the Company as on the date of Public Announcement. Except Mr. Vijay Kumar Mundhra, Ms. Shweta Mundhra and Mr. Pawan Malik, all the persons belonging to the Promoter and Promoter Group of the Company, have vide their letters dated March 12, 2019 and March 13, 2019 as applicable, expressed their intention to tender their Equity Shares in the Buy-Back up to maximum of such number of Shares which is equal to their respective Entitlement under the Buy-Back.
- 19.3 Assuming response to the Buy-Back is to the extent of 100% (full Acceptance) from all the Eligible Shareholders upto their Buy-Back Entitlement, the post Buy-Back shareholding of the Promoter of the Company will increase from 50.51% as on the date of the Public Announcement to [●] % of the post Buy-Back Equity Share capital.
- 19.4 **Record Date and Ratio of Buy-Back as per the Buy-Back Entitlement in each Category;**
- 19.4.1 The Buy-Back Committee vide its resolution dated April 26, 2019 announced Friday, May 10, 2019, as the Record Date for the purpose of determining the Buy-Back Entitlement and the names of the Eligible Shareholders who are eligible to participate in the Buy-Back.
- 19.4.2 The Equity Shares proposed to be bought back as a part of this Buy-Back are divided into two categories:
- Reserved category for Small Shareholders (“**Reserved Category**”); and
 - General Category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)
- 19.4.3 As defined in the SEBI Buy-Back Regulations, a (“**Small Shareholder**”) means a shareholder, who holds Equity Shares having market value, on the basis of closing price of the shares on the recognized stock exchanges with the highest trading volume in respect of such Equity Shares, as on the Record Date, is not more than ₹ 2,00,000/- (Rupees Two Lakhs only). As on Record Date, the volume of Equity Shares traded on NSE was [●] Equity Shares and on BSE was [●] Equity Shares. Accordingly, [●] being the exchange with highest trading volume, the closing price was ₹ [●] and hence all Eligible Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buy-Back Offer.
- 19.4.4 Based on the above definition, there are [●] Small Shareholders in the Company with an aggregate shareholding of [●] Equity Shares as on the Record Date, which constitutes [●]% of the outstanding number of Equity Shares of the Company as on Record Date and [●]% of the maximum number of Equity Shares which the Company proposes to Buy-Back as a part of this Buy-Back.
- 19.4.5 In compliance with Regulation 6 of the SEBI Buy-Back Regulations, the reservation for the Small Shareholders, will be higher of:
- Fifteen percent of the number of Equity Shares which the Company proposes to Buy-Back i.e., 15% of 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) Equity Shares which works out to 2,62,000 (Two Lakhs Sixty Two Thousand) Equity Shares; or
 - The number of Equity Shares entitled as per their shareholding as on Record Date i.e., ([●] total number of Shares held by Small Shareholders) / [●] x 17,46,666 which works out to be [●] Equity Shares.

All the outstanding Equity Shares have been used for computing the Buy-Back Entitlement of Small Shareholders.

Based on the above and in accordance with Regulation 6 of the SEBI Buy-Back Regulations, [●] Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.

- 19.4.6 In order to ensure that the same Eligible Shareholder with multiple demat accounts / folios do not receive higher Entitlement under Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common Permanent Account Number (“**PAN**”) shall be clubbed together for determining the category (Small Shareholder or General) and Entitlement under the Buy-Back. In case of joint shareholding, the Equity Shares held in cases where the sequence of PANs of the joint Equity Shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical Shares where sequence of PAN is identical and where the PANs of all joint Shareholders are not available, the Registrar will check the sequence of the names of the joint Equity Shareholders and club together the Equity Shares held in such cases where the sequence of the PANs and the name of the joint Shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, FIIs / FPIs etc. with common PAN shall not 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 different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of ‘clearing members’ or ‘corporate body margin account’ or ‘corporate body-broker’ as per the beneficial position data as on the 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.

19.4.7 **Based on the above Buy-Back Entitlements, the Ratio of Buy-Back for both categories is decided as below:**

Category of Shareholders	Ratio of Buy-Back
Reserved category for Small Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date
General category for all other Eligible Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date

19.4.8 **Fractional Entitlements:**

If the Buy-Back Entitlement, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 (One) Equity Share), then the fractional entitlement shall be ignored for computation of Buy-Back Entitlement to tender Equity Shares in the Buy-Back for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] or less Equity Share 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 Buy-Back Offer and will be given preference in the Acceptance of 1 (One) Equity Share, if such Small Shareholders have tendered Additional Equity Shares. The Company shall make best efforts subject to SEBI Buy-Back Regulations in accepting Equity Shares tendered by such Eligible Shareholders to the extent possible and permissible.

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

Subject to the provisions contained in the Letter of Offer, the Company will Accept the Equity Shares tendered in the Buy-Back by the Small Shareholders in the Reserved Category in the following order of priority:

- (a) Full Acceptance (i.e. 100%) of Equity Shares from Small Shareholders in the Reserved Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in the paragraph (a) 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 Shares, shall be given preference and 1 (One) Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- (c) Post the Acceptance as described in paragraphs (a) and (b) above, in case, there are any validly tendered unaccepted Equity Shares in the Reserved Category Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be Accepted in a proportionate manner and the Acceptances shall be made in accordance with the SEBI Buy-Back Regulations, i.e. valid Acceptances per Eligible Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Eligible Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom 1 (One) Equity Share has been Accepted in accordance with paragraph (b) above, shall be reduced by 1 (One).
- (d) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph (c), will be made as follows:
 1. For any Small Shareholder, if the number of Additional 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 (point five zero), then the fraction would be rounded off to the next higher integer.
 2. For any Small Shareholder, if the number of Additional 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 (point five zero), then the fraction shall be ignored.

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

Subject to the provisions contained in the Letter of Offer, the Company will Accept the Equity Shares tendered in the Buy-Back by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- (a) Full Acceptance (i.e., 100%) of the Equity Shares from Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in paragraph (a) above, in case there are any validly tendered unaccepted Equity Shares in the General Category (“**General Category Additional Shares**”) and the Equity Shares left to be bought back in the General Category, the General Category Additional Shares shall be Accepted in a proportionate manner and the Acceptances shall be made in accordance with the SEBI Buy-Back Regulations, i.e. valid Acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in General Category.
- (c) Adjustment for fractional results in case of proportionate Acceptance as described in paragraph 19.4.10 (b) above, will be made as follows:
 - (i) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (One) and the fractional Acceptance is greater than or equal to 0.50 (point five zero), then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (One) and the fractional Acceptance is less than 0.50 (point five zero), then the fraction shall be ignored.

19.4.11 Basis of Acceptance of Equity Shares between Categories

- (a) After Acceptances of tenders, as mentioned in paragraphs 19.4.9 and 19.4.10 above, there are any Equity Shares left to be bought back in 1 (One) category (“**Partially Filled Category**”), and there are unaccepted validly tendered Equity Shares (“**Further Additional Shares**”) in the second category (“**Over Tendered Category**”), then the Further Additional Shares in the Over Tendered Category shall be Accepted in a proportionate manner i.e., valid Acceptances per Eligible Shareholder shall be equal to the Further Additional Shares validly tendered by the Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Equity Shares to be bought back in the Partially Filled Category.
- (b) If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buy-Back Entitlement and who has tendered Additional Shares shall be eligible for priority Acceptance of 1 (One) Equity Share before Acceptance in paragraph 19.4.11 (a) above out of the Equity Shares left to be bought back in the Partially Filled Category, provided no Acceptance could take place from such Eligible Shareholder in accordance with paragraph 19.4.9.
- (c) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.4.11 (a) above, will be made as follows:
 - i. For any Eligible Shareholder, if the number of Further Additional 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 (point five zero), then the fraction would be rounded off to the next higher integer.
 - ii. For any Eligible Shareholder, if the number of Further Additional 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 (point five zero), then the fraction shall be ignored.
 - iii. In case of any practical issues, resulting out of rounding-off of 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 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 19.

19.4.12 For avoidance of doubt, it is clarified that the Equity Shares Accepted under the Buy-Back Offer from such Eligible Shareholder, in accordance with above clauses, shall be lower of the following:

- (a) the number of Equity Shares tendered by the respective Eligible Shareholder; and
- (b) the number of Equity Shares held by respective Eligible Shareholder as on the Record Date.

19.4.13 For avoidance of doubt, it is further clarified that the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the above.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

20.1 The Buy-Back is open to all Eligible Shareholder holding Equity Shares of the Company either in demat or physical mode, as on the Record date, i.e. Friday, May 10, 2019. However, Eligible Shareholders holding Equity Shares in physical form are required to get their Equity Shares dematerialized before tendering their Equity Shares in the Buy-Back.

20.2 The Company proposes to effect the Buy-Back through Tender Offer, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy-Back as well as the detailed disclosures as specified in the SEBI Buy-Back Regulations, will be mailed / dispatched to Eligible Shareholder.

Eligible Shareholders who have registered their email ids with the Depositories / the Company, shall be dispatched the Letter of Offer through electronic means. If Eligible Shareholders wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or Registrar at the address or email id mentioned at the cover page of this Letter of Offer.

Eligible Shareholders who have not registered their email ids with the Depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of the Letter of Offer and the Tender Form, please follow the procedure mentioned in Paragraph 20.25.

20.3 The Company will not Accept any Equity Shares for Buy-Back which are under any restraint order of a Court for transfer / sale of such shares or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise. The Company shall also not Accept the Equity Shares offered for Buy-Back where the title to such Equity Shares is under dispute or otherwise not clear. The Company shall Accept all the Equity Shares validly tendered in the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date.

20.4 The Company shall comply with Regulation 24(v) of the SEBI Buy-Back Regulations which states that the Company shall not buy-back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.

20.5 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the details of the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of such changes made in demat account to the Registrar to the Buy-Back and such tendered Equity Shares may be Accepted subject to appropriate verification and validation by the Registrar to the Buy-Back.

- 20.6 The Company shall Accept all the Equity Shares validly tendered for the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Shareholders will be Accepted as per paragraphs 19.4.9, 19.4.10 & 19.4.11 under Process and Methodology for the Buy-Back respectively.
- 20.7 As elaborated under paragraph 19.4 above, the Equity Shares proposed to be bought as a part of the Buy-Back is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders and the Buy-Back Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.8 After accepting the Equity Shares tendered on the basis of Buy-Back Entitlement, Equity Shares left to be bought as a part of the Buy-Back, if any, in one category shall first be Accepted, in proportion to the Equity Shares tendered, over and above their Buy-Back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-Back Entitlement, in other category.
- 20.9 Eligible Shareholders' participation in the Buy-Back is voluntary. Eligible Shareholders may choose to participate, in part or in full, and receive cash in lieu of the Equity Shares Accepted under the Buy-Back, or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buy-Back, without any additional investment. Eligible Shareholders may also tender a part of their Buy-Back Entitlement. Eligible Shareholders also have the option of tendering Additional Equity Shares (over and above their Buy-Back Entitlement but not more than their shareholding as on Record Date) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. The Acceptance of any Equity Shares tendered in excess of the Buy-Back Entitlement by the Eligible Shareholder shall be in terms of procedure outlined herein.
- 20.10 The maximum tender under the Buy-Back by an Eligible Shareholder cannot exceed the number of Equity Shares held by such Eligible Shareholder as on the Record Date.
- 20.11 The Buy-Back shall be implemented using the **“Mechanism for acquisition of shares through stock exchange”** in accordance with SEBI Circulars and following the procedure prescribed in the Companies Act and the SEBI Buy-Back Regulations and as may be determined by the SEBI and on such terms and conditions as may be permitted by law from time to time.
- 20.12 For implementation of the Buy-Back, the Company has appointed Emkay Global Financial Services Limited as the registered broker to the Company (the **“Company’s Broker”**) to facilitate the process of tendering of Equity Shares through the stock exchange mechanism for the Buy-Back and through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company’s Broker are as follows:
- Emkay Global Financial Services Limited**
7th Floor, The Ruby, Senapati Bapat Marg,
Dadar - West, Mumbai - 400 028, Maharashtra, India
Tel: +91 22 6612 1212
Fax: + 91 22 6612 1355
Email: eclerx.buyback@emkayglobal.com
Website: www.emkayglobal.com
SEBI Registration No.: INZ000203933
CIN: L67120MH1995PLC084899
- 20.13 For the purpose of this Buy-Back, BSE will be the Designated Stock Exchange. The Company has requested BSE to provide the separate Acquisition Window to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back. The details of the Acquisition Window platform will be specified by the Designated Stock Exchange from time to time. In case Shareholder’s Broker is not registered with BSE, Eligible Shareholder may approach Company’s Broker to place its bid.
- 20.14 All Eligible Shareholders may place orders in the Acquisition Window, through their respective Seller Member(s). In the event Seller Member(s) of any Eligible Shareholders are not registered with the Designated Stock Exchange (i.e. BSE) or if the Eligible Shareholders do not have any stock broker then that Eligible Shareholders 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 Shareholders are not able to bid using UCC facility through any other stock broker registered with the BSE, then the Eligible Shareholders may approach Company’s Broker, to bid by using UCC facility after submitting requisite documents.
- 20.14.1 **In case of Eligible Shareholder being an individual or HUF:**
- A. If Eligible Shareholder is registered with KYC Registration Agency (**“KRA”**):
- a) Forms required:
 - 1) Central Know Your Client (CKYC) form
 - 2) Know Your Client (KYC) form
 - b) Documents required (all documents self-attested):
 - 1) Bank details (cancelled cheque)
 - 2) Demat details only if Equity Shares are in demat mode (Demat Master / Latest Demat statement)

B. If Eligible Shareholder is not registered with KRA:

- a) Forms required:
 - 1) CKYC form
 - 2) KRA form
 - 3) KYC form
- b) Documents required (all documents self-attested):
 - 1) PAN card copy
 - 2) Address proof
 - 3) Bank details (cancelled cheque)
 - 4) Demat details only if Equity Shares are in demat mode (Demat master / Latest Demat statement)

In addition to above documents, shareholder would also require to submit the FATCA form along with KYC / KRA requirements.

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

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

A. If Eligible Shareholder is KRA registered:

- a) Form required:
 - 1) KYC Form
- b) Documents required (all documents self-attested)
 - 1) Bank details (cancelled cheque)
 - 2) Demat details only if Equity Shares are in demat mode (Demat master / Latest Demat statement)
 - 3) Latest list of directors / authorised signatories
 - 4) Latest shareholding pattern
 - 5) Board resolution
 - 6) Details of ultimate beneficial owner along with PAN card and address proof
 - 7) Last 2 years financial statements

B. If Eligible Shareholder is not KRA registered:

- a) Forms required:
 - 1) KRA form
 - 2) KYC form
- b) Documents required (all documents self-attested):
 - 1) PAN card copy
 - 2) Address proof
 - 3) Bank details (cancelled cheque)
 - 4) Demat details only if Equity Shares are in demat mode (Demat Master / Latest Demat statement)
 - 5) Latest list of directors / authorised signatories / partners
 - 6) PAN card copies & address proof of directors / authorised signatories / partners
 - 7) Latest shareholding pattern
 - 8) Board resolution / partnership declaration
 - 9) Details of ultimate beneficial owner along with PAN card and address proof
 - 10) Last 2 years financial statements
 - 11) MOA / Partnership deed

In addition to above documents, shareholder would also require to submit the FATCA form along with KYC / KRA requirements.

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.

20.15 The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended and any other rules, regulations, guidelines for remittance of funds shall be made by the Eligible Shareholder and / or the Seller Member through which the Eligible Shareholder places the bid.

20.16 All Eligible Shareholders, through their respective Seller Member(s) will be eligible and responsible to place orders in the Acquisition Window.

20.17 At the beginning of the Tendering Period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Seller Member(s) during normal trading hours of the secondary market.

- 20.18 Seller Member(s) can enter orders for Equity Shares in demat form.
- 20.19 Modification / cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buy-Back Offer. Multiple bids made by single Shareholder 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 BSE’s website i.e. www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.21 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

20.22 Procedure to be followed by Eligible Shareholder holding Equity Shares in the dematerialised form:

- a) Eligible Shareholders who desire to tender their Equity Shares in the electronic / dematerialized form under Buy-Back would have to do so through their respective Seller Member(s) by giving the details of Equity Shares they intend to tender under the Buy-Back.
- b) The Seller Member would be required to place an order / bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buy-Back using the Acquisition Window of the Designated Stock Exchange. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares into the special account of Indian Clearing Corporation Limited (referred to as the “**Clearing Corporation**”), by using the early pay in mechanism as prescribed by the Stock Exchange or the Clearing Corporation prior to placing order / bid on the Designated Stock Exchange’s Internet Based - Book Building Software (“IBBS”) platform by the Seller Member. For further details, Eligible Shareholders may refer to the circulars issued by Designated Stock Exchange and / or Clearing Corporation.
- c) The details of the special account shall be informed in the issue opening circular that will be issued by the Designated Stock Exchange and / or the Clearing Corporation.
- d) For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order / bid by custodians. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- e) Upon placing the order, the Seller Member shall provide TRS generated by the Designated Stock Exchange’s bidding system to the Eligible Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, Application No., no. of Equity Shares tendered, etc.
- f) In case of demat Equity Shares, submission of Tender Form and TRS is not required. 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 Eligible Shareholders holding Equity Shares in demat form.
- g) Thus, 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 Buy-Back shall be deemed to have been Accepted, for demat Shareholders.
- h) The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-Back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buy-Back of Shares by the Company.
- i) The details of the account opened with DP as given below in to which the Equity Shares tendered are to be transferred by Clearing Corporation post settlement of the Buy-Back:

DP IP	12023000
DP Name	Emkay Global Financial Services Limited
Beneficiary Client ID	01220019
Client Account Name	ECLERX SERVICES LIMITED BUYBACK 2019

The Eligible shareholders should not transfer the Equity Shares in the above mentioned Company Demat Account for participating in the Buy-Back. The Eligible shareholders has to transfer the Equity Shares into the special account of Indian Clearing Corporation Limited, the details of which will be issued by Designated Stock Exchange and / or Clearing Corporation by issuing circulars.

20.23 Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form

- a) All Eligible Shareholders 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 (“SEBI 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 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.

IN CASE ANY ELIGIBLE SHAREHOLDER HAS SUBMITTED EQUITY SHARES IN PHYSICAL FORM FOR DEMATERIALIZATION, SUCH ELIGIBLE SHAREHOLDERS SHOULD ENSURE THAT THE PROCESS OF GETTING THE EQUITY SHARES DEMATERIALIZED IS COMPLETED WELL IN TIME SO THAT THEY CAN PARTICIPATE IN THE BUY-BACK BEFORE BUY-BACK CLOSING DATE.

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

- a) Eligible Shareholders, 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.
- b) In case the Equity Shares are held on repatriation basis, the Eligible Shareholder, being a Non-Resident Shareholder, shall obtain and enclose a letter from its authorized dealer / bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the such Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Shareholder, being a Non-Resident Shareholder, 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 such Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted under the Buy-Back.
- c) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered by Eligible Shareholders, being Non-Resident Shareholders under the Buy-Back Offer are liable to be rejected.

20.25 In case of non-receipt of the Letter of Offer and the Tender Form:

An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. www.eclerx.com or by providing their application in writing on plain paper, signed by all Eligible Shareholders, stating its name and address, number of Equity Shares held as on the Record Date, Client ID number, DP Name / ID, beneficiary account number and number of Equity Shares tendered for the Buy-Back.

- a) Please note that Eligible Shareholders who intend to participate in the Buy-Back will be required to approach their respective Seller Member(s) (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member(s) in the electronic platform to be made available by BSE and NSE before the Buy-Back Closing Date.
- b) The Company shall Accept Equity Shares validly tendered by the Shareholder(s) in the Buy-Back on the basis of their shareholding as on the Record Date and the Buy-Back Entitlement. Eligible Shareholders who intend to participate in the Buy-Back using the ‘plain paper’ option as mentioned in this paragraph are advised to confirm their Entitlement from the Registrar to the Buy-Back Offer, before participating in the Buy-Back.

20.26 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Shareholder, shall not invalidate the Buy-Back Offer in any way.

20.27 The Acceptance of the Buy-Back Offer made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or not to participate in the Buy-Back Offer.

20.28 Method of Settlement:

Upon finalization of the basis of Acceptance as per SEBI Buy-Back Regulations:

- a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time, and in compliance with the SEBI Circulars.
- b) The Company will pay the consideration pertaining to the Buy-Back to the Company’s Broker which will transfer the funds pertaining to the Buy-Back to the Clearing Corporation’s bank account as per the prescribed schedule. For Equity Shares Accepted under the Buy-Back, Clearing Corporation will make direct funds payout to respective Eligible Shareholders bank account linked to its demat account. If Eligible Shareholders’ bank account details are not available or if the funds transfer instruction is rejected by RBI / Bank, due to any reason, then such funds will be transferred to the concerned Seller Member(s) settlement bank account for onward transfer to their respective Shareholders.
- c) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buy-Back (“**Special Demat Account**”) from Clearing Corporation 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.
- d) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to Eligible Shareholder by Clearing Corporation.
- e) The Eligible Shareholder 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 non-Acceptance of Shares under the Buy-Back.

20.29 Company’s Broker would also issue a contract note to the Company for the Equity Shares Accepted under the Buy-Back. If Eligible Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Shareholder will be transferred to the Seller Member for onward transfer to the Eligible Shareholder.

20.30 Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Seller Member(s) for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the Shareholders for tendering

Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the Eligible Shareholder, in respect of Accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

20.31 The Equity Shares lying to the credit of the Special Demat Account will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-Back Regulations.

20.32 Rejection Criteria: The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds.

20.32.1 The Shareholder is not an Eligible Shareholder of the Company as on the Record Date;

20.32.2 The Equity Shares tendered are in physical form.

20.32.3 If there is a name mismatch in the dematerialised account of the Shareholder and PAN

21. NOTE ON TAXATION

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

THE SUMMARY OF THE INCOME-TAX CONSIDERATION IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS. IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

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

1. GENERAL

- a. 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 1st until March 31st. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income-Tax Act, 1961 (The IT Act).
- b. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or is deemed to accrue or arise in India) and income received by such persons in India. In case of Shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- c. Accordingly, since the company is incorporated in India, the company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act. Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement ("DTAA") between India and the respective jurisdiction of which the said shareholder is tax resident subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under the IT Act.
- d. The IT Act also provides for different income-tax regimes / rates applicable to the gains arising on the buy-back of shares, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. The summary of income-tax implications on buy-back of listed equity shares on the Recognized Stock Exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

2. CLASSIFICATION OF SHAREHOLDERS

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

- a. **Resident Shareholders being:**
 - Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
 - Others
- b. **Non Resident Shareholders being:**
 - Non Resident Indians (NRIs)
 - Foreign Portfolio Investors (FPIs)
 - Foreign Companies
 - Others

3. CLASSIFICATION OF INCOME

- a. Shares can be classified under the following two categories:
 - **Shares held as investment** (Profits or Gains arising from transfer taxable under the heading “Capital Gains”)
 - **Shares held as stock-in-trade** (Profits or Gains arising from transfer taxable under the heading “Profits and Gains from Business or Profession”)
- b. 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. There have been various judicial pronouncements on whether gains from transactions in securities should be taxed as “business profits” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Central Board of Direct Taxes (CBDT), the apex body of Income-tax has issued **Circular No. 6 of 2016** wherein it was clarified that 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 and if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be disputed by the income-tax authorities provided such stand is consistently followed by the taxpayer in subsequent years.
- c. Further, investments by FPIs in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as a capital asset under the provisions of the IT Act.

4. SHARES HELD AS INVESTMENT

- a. 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 buy-back of shares are governed by the provisions of section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of section 48 of the Income Tax Act. The provisions of Income Tax Act related to buy-back of shares under section 115QA in Chapter XII-DA of the Income Tax Act do not apply to shares listed on the stock exchange.

b. PERIOD OF HOLDING

Depending on the period for which the shares are held, the gains would be taxable as ‘short term capital gain’ or ‘long term capital gain. In respect of equity shares which are listed on a recognised Stock Exchange held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a ‘short-term capital asset’, and the gains arising therefrom shall be taxable as ‘short term capital gains’ (“STCG”). Similarly, where equity shares listed are on a recognised stock exchange and are held for a period more than 12 months prior to the date of transfer, the same shall be treated as a ‘long-term capital asset’, and the gains arising therefrom shall be taxable as ‘long-term capital gains’ (“LTCG”).

5. BUY-BACK OF SHARES THROUGH A RECOGNIZED STOCK EXCHANGE

- a. Where transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognized stock exchange, they are liable to Securities Transaction Tax (*STT*). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.
- b. The taxability of buy-back proceeds in the hands of the eligible shareholder would be as under:
 - *As per the provisions of the Income Tax Act as amended by the Finance Act, 2018, the exemption to LTCG provided u/s. 10(38) of Income Tax Act has been withdrawn and tax is levied on LTCG exceeding Rupees 1.00 Lakhs in a financial year arising on transfer of listed equity shares @ 10% without allowing the benefit of indexation.*
 - *However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of:*
 - i. *the actual cost of acquisition of such equity shares acquired before 1st February, 2018, or*
 - ii. *the lower of the following:*
 - a) *the highest price of such equity shares quoted on the recognised stock exchange on the 31st January, 2018; and*
 - b) *the actual sale value of such equity shares.*
 - *However, as per a draft notification issued on 24th April, 2018, an exemption from the requirement of STT being paid at the time of acquisition of shares, is sought to be provided to certain modes of acquisition including acquisition of shares by a non-resident under the FDI policy and acquisition of unlisted shares subsequently listed on the stock exchange. Once such exceptions are notified, if acquisition is made in such specified modes, the rates specified above shall continue to apply, even if no STT was paid at the time of acquisition of the shares.*
 - *If STT is not paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).*
 - *STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, without any restriction on the mode of acquisition.*

- *Amount of LTCG and STCG arising to resident corporate shareholders would also be included for purpose of computing Minimum Alternate Tax (MAT) under section 115JB of the Income Tax Act at the rate of 18.50%. Such MAT however would be available for offset against taxes payable by such corporate shareholders under normal tax provisions (subject to conditions). In addition to the Tax, Surcharge, Health and Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).*
 - *In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG taxable under section 111A of the Income Tax Act. In addition to the above STCG tax, Surcharge, Health and Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).*
 - *Non-resident shareholders can avail beneficial provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting / maintaining necessary documents prescribed under the Income Tax Act.*
- c. As an overall point, since the Buy-Back is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax ("STT"). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the transaction value separately in the hands of the Seller and the Company.

6. SHARES HELD AS STOCK-IN-TRADE

- a. If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession". In such a case, the provisions of Income Tax Act regarding taxability of proceeds of buy-back in hands of shareholders as mentioned under Note 5(b) above would not apply.
- b. **RESIDENT SHAREHOLDERS**
- For Individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
 - Domestic Company having turnover or gross receipts not exceeding INR 250 crore of the previous year 2016-17 would be taxable @ 25%.
 - For persons other than stated in (a) & (b) above, profits would be taxable @ 30%.
 - In addition to the above, Surcharge, Health and Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).
 - No benefit of indexation by virtue of period of holding would be available in any case.
- c. **NON RESIDENT SHAREHOLDERS**
- Non-resident shareholders can avail beneficial provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') entered into by India with relevant country to which shareholder belongs but subject to fulfilling relevant conditions and submitting / maintaining necessary documents prescribed under the Income Tax Act.
 - Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
 - For foreign companies, profits would be taxed in India @ 40%
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).

7. TAX DEDUCTED AT SOURCE (TDS)

a. IN CASE OF RESIDENT SHAREHOLDERS

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

b. IN CASE OF NON-RESIDENT SHAREHOLDERS

Since the buy-back is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore recommended that non-resident shareholder may consult their custodians / authorized dealers / tax advisors appropriately to compute gains (if any) and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians / authorized dealers / tax advisors appropriately. The non-resident shareholders need to 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 buy-back of Equity Shares by the Company. The non-resident shareholders also to provide undertaking to the Company, to provide on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buy-back of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

8. RATE OF SURCHARGE AND CESS

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

a. SURCHARGE

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

b. CESS

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

9. GENERAL

The above note on taxation sets out the provisions of law in a summarised manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, shareholders should consult their own tax advisors for the tax provisions applicable to their particular circumstances. The tax rate and other provisions may undergo changes. Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The company does not accept any responsibility for the accuracy or otherwise of such advice.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the SEBI Buy-Back Regulations:

The Board of Directors of the Company confirms that 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 term loans or interest payable thereon to any financial institution or banks.

The Board of Directors of the Company confirms that it has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that:

- 22.1 Immediately following the date of the Board Meeting, and the date on which the results of shareholders' resolution passed by way of Postal Ballot / e-voting ("Postal Ballot Resolution") was declared, approving the Buy-Back and the date of Letter of Offer, there will be no grounds on which the Company could be found unable to pay its debts;
- 22.2 As regards the Company's prospects for the year immediately following the date of the Board Meeting approving the Buy-Back as well as for the year immediately following the date of Postal Ballot Resolution and the date of Letter of Offer, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date of the Board Meeting as also from the date of Postal Ballot Resolution and Letter of Offer; and
- 22.3 In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company was being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016.

This declaration is made and issued under the authority of the Board in terms of the resolution passed at the meeting held on March 14, 2019.

For and on behalf of the Board of Directors of Company

Sd/-
Priyadarshan Mundhra
Executive Director
DIN: 00281165

Sd/-
Anish Ghoshal
Non-Executive Independent Director
DIN: 00276807

23. AUDITORS CERTIFICATE

The text of the Report dated March 14, 2019 received from S.R. Batliboi & Associates, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

Independent Auditor's Report on buy back of shares pursuant to the requirement of clause (xi) of Schedule I under Regulation 5(iv)(b) of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended

The Board of Directors

eClerx Services Limited

1st Floor, Sonawala Building

29 Bank Street, Fort, Mumbai – 400 023

1. This Report is issued in accordance with the terms of our service scope letter dated March 8, 2019 and master engagement agreement dated April 18, 2015 with eClerx Services Limited (hereinafter the “Company”).
2. In connection with the proposal of the Company to buy back its equity shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 (the “Act”) and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “Regulations”), and in terms of the resolution passed by the directors of the Company in their meeting held on March 14, 2019, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the Statement of permissible capital payment towards buyback of equity shares (the “Statement”), which we have initialed for identification purposes only.

Board of Directors Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospectus / offer document 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.

Auditor's Responsibility

5. Pursuant to the requirements of the Regulations, it is our responsibility to provide reasonable assurance on the following “Reporting Criteria”:
 - (i) Whether the amount of capital payment for the buyback is within the permissible limit and computed in accordance with the provisions of Section 68 of the Act;
 - (ii) Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule I to the Regulations, on a reasonable grounds 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 meeting;
 - (iii) Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
6. The standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 23, 2018. Our audit of the standalone financial statements was conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (“ICAI”). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
 - (i) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements for the year ended March 31, 2018;
 - (ii) Examined authorization for buyback from the Articles of Association of the Company;
 - (iii) Examined that the amount of capital payment for the buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
 - (iv) Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserve after such buy-back;

- (v) Examined that all shares for buy-back are fully paid-up;
- (vi) Examined resolutions passed in the meetings of the Board of Directors;
- (vii) Examined Director's declarations for the purpose of buy back and solvency of the Company;
- (viii) Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination as above, and the information and explanations given to us, in our opinion,
- (i) the Statement of permissible capital payment towards buyback of equity shares, as stated in Annexure A, is in our view properly determined in accordance with section 68 of the Act; and
 - (ii) the Board of Directors, in their meeting held on March 14, 2019, have formed the opinion, as specified in clause (x) of Schedule I of the Regulations, on reasonable grounds, 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 the meeting and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of the declaration.

Restriction on Use

11. The certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the public announcement to be made to the Shareholders of the Company, (c) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Sd/-

per Amit Majmudar

Partner

Membership Number: 36656

Unique Document Identification Number: 19036656AAAAAE7588

Place of Signature: Mumbai

Date: March 14, 2019

Annexure A

Statement of permissible capital payment towards buy back of equity shares in accordance with section 68(2)(c) of the Act and Regulation 4(i) of the Regulations based on the audited standalone financial statements for the year ended March 31, 2018

Particulars as on March 31, 2018		Amount (₹ in Million)	Amount (₹ in Million)
Paid up equity share capital	A		386.29
Free reserves as per section 68			
Securities premium	B		114.80
Retained earnings	C		10,057.01
Less: Adjustments as per definition of free reserves as per section 2(43) of the Act	D		(56.82)
- Unrealized foreign exchange gain		(60.81)	
- Change in carrying amount of an asset or a liability measured at fair value		3.99	
Total paid up capital and free reserves	(A+B+C-D)		10,501.28
Permissible capital payment in accordance with section 68(2)(c) of the Act (25% of the total paid-up equity capital and free reserves)			2,625.32

Unquote

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company at Sonawala Building, 1st Floor, 29 Bank Street, Fort, Mumbai – 400 023, on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10.00 am to 5.00 pm up to the date of Closure of the Buy-Back.

- (i) Certificate of Incorporation of the Company.
- (ii) Memorandum and Articles of Association of the Company.
- (iii) Annual reports of the Company for the last three Financial Years.
- (iv) Buy-Back related approvals:
 - a) Certified true copy of the resolution of the Board of Directors dated March 14, 2019, approving Buy-Back of Equity Shares of the Company.
 - b) Certified true copy of the resolution of the Shareholders passed by way of postal ballot, results of which were declared on April 26, 2019 along with Scrutinizer's Report.
 - c) Certified true copy of the resolution passed by Buy-Back Committee of Board of Directors dated April 26, 2019.
- (v) Certificate dated March 14, 2019, from S.R. Batliboi & Associates LLP, Chartered Accountants, the Statutory Auditors in terms of clause (xi) of Schedule I under Regulation 5(iv)(b) SEBI Buy-Back Regulations.
- (vi) Public Announcement dated April 26, 2019.
- (vii) Copy of declaration of solvency and an affidavit as prescribed under Section 68(6) of the Companies Act.
- (viii) Copy of Escrow Agreement dated April 26, 2019 between eClerx Services Limited, Emkay Global Financial Services Limited and Yes Bank Limited.
- (ix) Confirmation letter by the Escrow bank stating that the Escrow Account has been opened and Escrow Amount has been deposited.
- (x) Copy of the certificate from M/s. H. M. Vasant & Co. Chartered Accountants, dated April 26, 2019 certifying that the Company has adequate funds for the purposes of Buy-Back.
- (xi) Intention letters to participate in the Buy-Back by the Promoters viz. Mr. Priyadarshan Mundhra and Mr. Anjan Malik and certain persons of Promoter Group viz. Mr. Vijay Kumar Mundhra, Ms. Shweta Mundhra, Mr. Pawan Malik and Ms. Supriya Modi, dated March 12, 2019 and March 13, 2019, as applicable.
- (xii) SEBI observations vide letter [●] dated [●], 2019.

25. DETAILS OF THE COMPLIANCE OFFICER

Mr. Pratik Bhanushali

Company Secretary and Compliance Officer,

eClerx Services Limited

Address: Sonawala Building, 1st Floor, 29 Bank Street,
Fort, Mumbai - 400 023.

Phone No.: +91 (22) 6614 8301

Fax No.: +91 (22) 6614 8655

Email Id: investor@eclerx.com

Website: www.eclerx.com

Investors may contact the Compliance Officer for any clarification or can 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.

26. DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS / BENEFICIAL OWNERS


- 26.1 In case of any grievances relating to the Buy-Back (e.g. non-receipt of the Buy-Back consideration, demat credit, etc.), the Eligible Shareholders can approach the Compliance Officer as per the details mentioned above and / or the Registrar to the Buy-Back and / or Manager to the Buy-Back for redressal as per the details mentioned in paragraphs 27 and 28 of the Letter of Offer, respectively.
- 26.2 If the Company makes any default in complying with the provisions of Sections 68, 69 and 70 of the Companies Act or the Rules made 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, as the case may be.
- 26.3 The address of the concerned office of the Registrar of Companies is as follows:
The Registrar of Companies, Mumbai
100, Everest Marine Drive, Mumbai- 400002.

27. DETAILS OF INVESTOR SERVICE CENTRE AND REGISTRAR

In case of any query, the Eligible Shareholders may also contact the Registrar & Share Transfer Agent of the Company during working hours i.e. 10.00 a.m. to 5.00 p.m. on all working days at the following address except Saturday, Sunday and public holidays up to the date of Closure of the Buy-Back.

	KARVY FINTECH PRIVATE LIMITED Contact Person: Mr. M. Murali Krishna Karvy Selenium, Tower- B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad 500032, Telangana. Tel. No.: +91 40 6716 2222 Fax No.: +91 40 2343 1551 Email id: eclerx.buybackoffer@karvy.com Website: www.karvyfintech.com SEBI Regn. No.: INR000000221 Validity Period: Permanent CIN: U72400TG2017PTC117649
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28. DETAILS OF THE MANAGER TO THE BUY-BACK

	Emkay Global Financial Services Limited 7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai- 400 028, Maharashtra, India Tel: +91 22 6624 2412 Fax: +91 22 6612 1355 Email: eclerx.buyback@emkayglobal.com Website: www.emkayglobal.com Contact Person: Mr. Deepak Yadav / Mr. Chirag Dave SEBI Regn No.: INM000011229 Validity Period : Permanent CIN: L67120MH1995PLC084899
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29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THIS DRAFT LETTER OF OFFER

As per Regulation 24(i)(a) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, the Board of Directors accept full responsibility for the information contained in this Draft Letter of Offer and confirms that this Draft Letter of Offer contains true, factual and material information and does not contain any misleading information. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on March 14, 2019 and by the Buy-Back Committee on April 26, 2019.

For and on behalf of the Board of Directors of Company

Sd/-
Priyadarshan Mundhra
Executive Director
(DIN: 00281165)

Sd/-
Anish Ghoshal
Non-Executive Director
(DIN: 00276807)

Sd/-
Pratik Bhanushali
Company Secretary and Compliance Officer
(PAN: AMMPB6578N)

Date: April 26, 2019

Place: Mumbai

TENDER FORM
Tender Form (for Equity Shareholders holding Shares in dematerialised form)
TENDER FORM FOR DEMAT SHAREHOLDERS
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)

Bid Number:

Date:

BUY-BACK OPENS ON:		[•], 2019	
BUY-BACK CLOSSES ON:		[•], 2019	
For Registrar / collection centre use			
Inward No.		Date	Stamp
Status (please tick appropriate box)			
<input type="checkbox"/>	Individual	<input type="checkbox"/>	FII/ 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"/>		<input type="checkbox"/>	Insurance Co.
<input type="checkbox"/>		<input type="checkbox"/>	FVCI
<input type="checkbox"/>		<input type="checkbox"/>	Pension / PF
<input type="checkbox"/>		<input type="checkbox"/>	Others (specify)
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India
<input type="checkbox"/>		<input type="checkbox"/>	Resident of(Shareholder to fill the country of residence)

To,
eClerx Services Limited
C/o Karvy Fintech Private Limited
Karvy Selenium, Tower- B, Plot No 31 & 32, Gachibowli Financial District,
Nanakramguda, Hyderabad 500032, India
Telephone: +91 40 6716 2222; Facsimile: +91 40 2343 1551
Dear Sirs,

Sub: Letter of Offer dated [•] to Buy-Back up to 17,46,666 (Seventeen Lakhs Forty Six Thousand Six Hundred Sixty Six) fully paid-up Equity Shares of ₹ 10/- (Rupees Ten only) each of eClerx Services Limited (the "Company") at a price of ₹ 1,500/- (Rupees One Thousand Five Hundred only) per Equity Share ("Buy-Back Price"), payable in cash.

- I / We (having read and understood the Letter of Offer dated [•]) hereby tender / offer my / our Equity Shares in response to the Buy-Back on the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to Buy-Back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-Back to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender / offer are offered for Buy-Back by me / us 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 for Buy-Back Offer and that I / we am / are legally entitled to tender the Equity Shares for Buy-Back.
- I / We agree that the consideration for the Accepted Shares will be paid by the Company only after due verification of the validity period of the documents as per secondary market mechanism.
- 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.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on Buy-Back of Shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on Buy-Back of Shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc.
- I / We agree that the excess demat Equity Shares or unaccepted demat Shares, if any, tendered would be returned to the Seller Member by Clearing Corporation in payout.
- I / We undertake to return to the Company any Buy-Back 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 Buy-Back in accordance with the Companies Act and the SEBI Buy-Back Regulations.
- Details of Equity Shares held and tendered / offered for Buy-Back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares entitled for Buy-Back (Buy-Back Entitlement)		
Number of Equity Shares offered for Buy-Back		
* Number of Equity Shares held for a period more than 12 months		
* Number of Equity Shares held for a period less than or equal to 12 months		

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buy-Back Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buy-Back Entitlement of such Eligible Shareholder shall be Accepted to the full extent. The Equity Shares tendered by any Equity Shareholder over and above the Buy-Back Entitlement of such Equity Shareholder shall be Accepted in accordance with paragraph 19 of the Letter of Offer. Equity Shares tendered by any Equity Shareholder over and above the number of Equity Shares held by such Equity Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along this line -----
Acknowledgement Slip: ECLERX SERVICES LIMITED BUY-BACK 2019
(to be filled by the Equity Shareholder) (subject to verification)

Folio No./DP ID.: _____

Client ID : _____

Received from Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buy-Back (In Figures) _____ (In Words) _____

Please quote Client ID No. & DP No. for all future correspondence _____

STAMP OF BROKER

12. Non-resident Shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose Shares are being transferred” and the price at which the Equity Shares are being transferred i.e. “Price determined in accordance with the SEBI Buy-Back Regulations” duly signed by the shareholder or his / its duly appointed agent and in the latter case, also enclose the power of attorney.
13. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL
Name of the Depository Participant		
DP ID No.		
Client ID No. with the DP		

14. Equity Shareholders details:

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

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

15. Applicable for all Non-resident Shareholders

I / We being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India. I / We undertake to pay income taxes in India on any income arising on such Buy-Back and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Shares are bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-Back of Shares by me / us.

INSTRUCTIONS

- The Buy-Back will open on [●] and close on [●].
- 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.
- Eligible Shareholder who desire to tender their Equity Shares in the dematerialized form under the Buy-Back would have to do so through their respective Seller Broker by indicating the details of Equity Shares they intend to tender under the Buy-Back Offer.
- Eligible Shareholders should submit their duly filled Tender Form to the office of Registrar to the Buy-Back Offer (as mentioned in Paragraph 18.2 of the Letter of Offer) only post placing the bid via the Seller Broker.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form shall file a copy of the following documents:
 - Approval from the appropriate authority for such merger;
 - The scheme of merger; and
 - The requisite form filed with MCA intimating the merger.
- The Equity Shares tendered in the Buy-Back shall be rejected if (i) the shareholder is not a shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the shareholder; or (iii) in case of receipt of completed tender application form but non receipt of Shares in the special account of the Clearing Corporation or non-receipt of bid in the exchange bidding system.
- The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buy-Back being on a proportionate basis in terms of the Ratio of Buy-Back.
- Eligible Shareholders to whom the Buy-Back Offer is made are free to tender Equity Shares to the extent of their Buy-Back Entitlement in whole or in part or in excess of their Entitlement.
- For the procedure to be followed by Equity Shareholders for tendering in the Buy-Back, please refer to Paragraph 20 of the Letter of Offer.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

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

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



INVESTOR SERVICE CENTRE, ECLERX SERVICES LIMITED BUY-BACK 2019

KARVY FINTECH PRIVATE LIMITED

Contact Person: Mr. M. Murali Krishna

Karvy Selenium, Tower- B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad 500032, Telangana.

Tel. No.: +91 40 6716 2222; Fax No.: +91 40 2343 1551; Email id: eclerx.buybackoffer@karvy.com; Website: www.karvyfintech.com

SEBI Regn. No.: INR000000221; Validity Period: Permanent; CIN: U72400TG2017PTC117649