

## PUBLIC ANNOUNCEMENT



## TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

Corporate Identification Number (CIN): L28120MH1992PLC069252

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## PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED FOR THE BUYBACK OF EQUITY SHARES ON A PROPORTIONATE BASIS THROUGH TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.

This Public Announcement ("Public Announcement" / "PA") is being made in relation to the buyback of the equity shares, having a face value of Rs. 10 each (Rupees Ten only) fully paid-up (the "Equity Shares"), by Technocraft Industries (India) Limited (the "Company") from the shareholders/beneficial owners of the Company through the tender offer route through the stock exchange mechanism in accordance with Securities and Exchange Board of India ("SEBI") circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular SEBI/HO/CFD/DCR-II/CIR/P/2021/6/15 dated August 13, 2021, including any further amendments thereof (the "SEBI Circulars") pursuant to Regulation 7(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "SEBI Buyback Regulations"), for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Schedule II to the Buyback Regulations read with Schedule I of the Buyback Regulations.

OFFER TO BUYBACK OF UP TO 15,00,000 (FIFTEEN LAKHS ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10 (TEN ONLY) EACH OF THE COMPANY NOT EXCEEDING RS. 150,00,00,000/- (RUPEES ONE HUNDRED FIFTY CRORES ONLY) AT A PRICE OF RS. 1,000/- (RUPEES ONE THOUSAND ONLY) PER EQUITY SHARE, PAYABLE IN CASH, ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE USING THE STOCK EXCHANGE MECHANISM.

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. 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.

## 1. DETAILS OF THE BUYBACK OFFER AND BUYBACK PRICE

1.1 The Board of Directors of Technocraft Industries (India) Limited (the "Company") (the board of directors of the Company hereinafter referred to as the "Board" or "Board of Directors" which expression shall include any committee constituted and authorised by the Board to exercise its powers), at its meeting held on November 14, 2022 ("Board Meeting") has, subject to the approval of the shareholders by way of a special resolution through a postal ballot, pursuant to the provisions of Article 61 of the Articles of Association ("AOA") of the Company, Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended ("Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable, and in compliance with the SEBI Buyback Regulations and subject to approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the buyback of up to 15,00,000 (Fifteen Lakhs only) Equity Shares representing 6.13% of total issued and paid-up Equity Share capital of the Company at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share ("Buyback Offer Price"), payable in cash, aggregating to Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only) ("Buyback Offer Size"), which represents 12.88% and 8.40% of the aggregate of the Company's paid-up capital and free reserves as per the standalone and consolidated audited financials of the Company for the financial year ended as on March 31, 2022 respectively (which is more than 10% of the aggregate of the fully paid-up equity share capital and free reserves of the Company, based on standalone financial statements of the Company, as on March 31, 2022 as per the provisions of the Companies Act and SEBI Buyback Regulations) from all of the shareholders of the Company who hold Equity Shares as of the Record Date (as defined below).

1.2 The Shareholders of the Company have approved the Buyback, by way of a special resolution, through postal ballot only by voting through electronic means ("Remote E-Voting") pursuant to a postal ballot notice dated November 14, 2022 (the "Postal Ballot Notice"), the results of which were announced on Monday, December 19, 2022.

1.3 The Buyback Size represents 12.88% and 8.40% of the aggregate of the total paid-up share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company respectively, as at March 31, 2022, (i.e. the latest audited financial statements available as on the date of the board meeting recommending the proposal of the Buyback), respectively, and is within the statutory limit of 25% of the aggregate of the total paid-up equity share capital and free reserves of the Company, based on both standalone and consolidated financial statements of the Company, as per the applicable provisions of the Companies Act and the SEBI Buyback Regulations and represents 6.13% of the total number of Equity Shares in the paid-up equity share capital of the Company as per its latest audited financial statements as at March 31, 2022.

1.4 The Buyback Offer Size and the Buyback Offer Price do not include taxes payable under Income Tax Act, 1961 and any expenses incurred or to be incurred for the Buyback viz., brokerage, costs, fees, turnover charges, taxes such as securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges ("Transaction Costs").

1.5 The Buyback is in accordance with Article 61 of the Articles of Association of the Company and Sections 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act, and rules framed thereunder, including the Share Capital Rules and the Management Rules, to the extent applicable, Buyback Regulations read with SEBI Circulars and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by SEBI, Registrar of Companies, National Stock Exchange of India Limited ("NSE"), BSE Limited ("BSE") and/or other authorities, institutions or bodies, (together with SEBI, BSE, NSE, the "Appropriate Authorities") as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board.

1.6 The Equity Shares of the Company are listed and traded on NSE and BSE. The Buyback shall be undertaken on a proportionate basis from all the equity shareholders/ beneficial owners of the Company (except any shareholders/ beneficial owners who may be specifically prohibited under the applicable laws by any Appropriate Authorities), including the promoters and, members of the Promoter Group, who hold Equity Shares as at December 30, 2022 (the "Record Date") (such shareholders being the "Eligible Shareholders") through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations and shall be implemented using the Stock Exchange Mechanism as specified in the SEBI Circulars. In this regard, the Company will request NSE to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback and for the purposes of this Buyback, NSE will be the designated stock exchange ("DSE").

1.7 The Buyback from the Eligible Shareholders who are residents outside India including non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies), foreign institutional investors/ foreign portfolio investors, shall be subject to such approvals, if any, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations framed thereunder, each as amended and that such approvals shall be required to be taken by such non-resident shareholders.

1.8 In terms of the SEBI Buyback Regulations, under tender offer route, the Promoters and the members of the Promoter Group and persons in control of the Company have the option to participate in the Buyback. In this regard, members of the Promoter Group and persons in control of the Company, vide their letters dated November 14, 2022 have expressed their intention to participate in the Buyback and tender Equity Shares based on their entitlement and to offer such number of additional Equity Shares, if so required, to ensure that post the Buyback the Company continues to be in compliance with the minimum public shareholding ("MPS") norms as prescribed under applicable laws. The extent of their intention of participation in the Buyback has been detailed in paragraph 8 of this Public Announcement. The Buyback will not result in any benefit to the Promoters and members of the Promoter Group, persons in control of the Company or any directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation/acceptance in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback. The Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations. Any change in voting rights of the Promoter Group of the Company pursuant to completion of Buyback will not result in any change in control over the Company.

1.10 The obligations under the Buyback will be met out of internal accruals, retained earnings, cash and bank balances and investments made by the Company. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet.

1.11 The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.

1.12 A copy of this Public Announcement is available on the website of the Company (www.technocraftgroup.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) during the period of the Buyback and on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

1.13 Participation in the Buyback by Eligible Shareholders will trigger tax on distributed income to shareholders in India and such tax is to be discharged by the Company. This may trigger capital gains taxation in hands of the shareholders in their country of residence, if outside India. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer ("LOF"), which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buyback.

## 2. OBJECTIVE/NECESSITY FOR THE BUYBACK

The current Buyback is being undertaken by the Company after taking into account for returning surplus funds to the members in an effective and efficient manner. The Board at its meeting held on November 14, 2022 considered the accumulated free reserves as well as the cash liquidity reflected in the latest available standalone and consolidated audited financial statements as on March 31, 2022 and also as on the date of the Board Meeting and considering these, the Board decided to allocate up to Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only) excluding the Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buyback. The Buyback will help the Company achieve the following objectives: (i) optimize returns to shareholders; and (ii) enhance overall shareholders' value.

After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board has decided to recommend a Buyback of Equity Shares at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share for an aggregate amount not exceeding Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only). The Buyback is being undertaken, inter-alia, for the following reasons:

i. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;

ii. The Buyback, which is being implemented through the tender offer route as prescribed under the SEBI Buyback Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the SEBI Buyback Regulations;

iii. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and

iv. The Buyback gives an option to the shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment. The Buyback may lead to reduction in outstanding Equity Shares, improvement in earnings per Equity Share, and enhanced return on equity. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations and for continued capital investment, as and when required.

## 3. MAXIMUM AMOUNT OF FUNDS REQUIRED FOR THE BUYBACK, AND ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES AND SOURCES OF FUNDS FROM WHICH BUYBACK WOULD BE FINANCED

3.1 The maximum amount required for Buyback will not exceed Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only) (15,00,00,000 Equity Shares representing 6.13% of the total number of Equity Shares in the total paid-up equity capital of the Company), at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share payable in cash for an aggregate amount not exceeding Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only), excluding tax payable under Income Tax Act, 1961 and any expenses incurred or to be incurred for the Buyback viz. intermediaries fees, brokerage costs, turnover charges, taxes such as tax on Buyback, securities transaction tax (STT) and goods and services tax (GST) (if any), stamp duty, filing fees to SEBI, stock exchange charges, printing and dispatch expenses, if any, public announcement publication expenses and other incidental and related expenses and charges ("Transaction Costs"), which represents 12.88% and 8.40% of the aggregate of the Company's paid-up capital and free reserves as per the standalone and consolidated audited financials of the Company respectively for the year ended as on March 31, 2022 respectively, which is more than 10% of the total paid up equity capital and free reserves of the Company.

3.2 The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company (retained earnings) and/or such other source as may be permitted by the SEBI Buyback Regulations or the Companies Act.

3.3 The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statements.

3.4 The funds borrowed, if any, from banks and financial institutions will not be used for purpose of the Buyback.

## 4. MAXIMUM PRICE FOR THE BUYBACK OF EQUITY SHARES AND BASIS OF ARRIVING AT THE BUY-BACK PRICE

4.1 The Equity Shares of the Company are proposed to be bought back at a price of Rs. 1,000/- (Rupees One Thousand only) per share ("Offer Price").

4.2 The Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on BSE and NSE i.e., the stock exchanges, where the Equity Shares of the Company are listed, impact on net worth, price earnings ratio, earnings per share and other financial parameters.

4.3 The Offer Price represents:

i. Premium of 19.88% and 19.63% to the volume weighted average market price of the Equity Share on NSE and BSE

respectively, during the three months preceding the November 09, 2022 i.e. date of intimation to the Stock Exchanges ("Intimation Date") for the Board Meeting to consider the proposal of the Buyback.

ii. Premium of 30.47% and 30.71% over the volume weighted average market price of the Equity Shares on NSE and BSE respectively, for two weeks preceding the Intimation Date.

iii. Premium of 25.45% and 23.53% over the closing price of the Equity Shares on NSE and BSE respectively, as on the Intimation Date.

iv. Premium of 27.78% and 28.49% over the closing price of the Equity Share on NSE and BSE respectively, as on November 07, 2022, which is a day preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

4.4 The closing market price of Equity Shares of the Company as on the Intimation Date (i.e. November 09, 2022) was Rs. 797.15 and Rs. 809.50 on NSE and BSE respectively. As required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buyback both on audited standalone financial statements and audited consolidated financial statements of the Company as on March 31, 2022.

## 5. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to buyback up to 15,00,000 (Fifteen Lakhs only) Equity Shares, (representing 6.13% of the total number of Equity Shares in the paid-up share capital of the Company as per the latest audited financial statements as at March 31, 2022) at the Buyback Price (i.e., Rs. 1,000/- (Rupees One Thousand only) per Equity Share for an amount not exceeding Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only)).

## 6. METHOD ADOPTED FOR BUYBACK

The Equity Shares will be bought back on a proportionate basis from all the Equity Shareholders through the "Tender Offer" method, as prescribed under Regulation 4(v)(a) of the Buyback Regulations, and, subject to applicable laws, facilitated through the stock exchange mechanism as specified under the "Mechanism for acquisition of share through Stock Exchanges" prescribed under the SEBI Circulars. Please refer to Paragraph 13 below for details regarding the Record Date and shareholders entitlement for tender in the Buyback.

## 7. DETAILS OF THE SHAREHOLDING AND TRANSACTIONS IN THE EQUITY SHARES OF THE COMPANY

7.1 The aggregate shareholding in the Company of (a) Promoters and the members of the Promoter Group and persons in control of the Company; (b) the director(s) of the Promoters, where the promoter is a company; (c) directors and key managerial personnel of the Company, as on the date of the Board Meeting and the Postal Ballot Notice, i.e., November 14, 2022, and the date of this Public Announcement, i.e. December 19, 2022, is as follows:

a. Aggregate shareholding of the Promoters and the members of the Promoter Group and persons in control of the Company in the Company as on the date of the Board Meeting and Postal Ballot Notice, i.e., November 14, 2022, and the date of this Public Announcement i.e. December 19, 2022, is as follows:

Sr. No.	Name of Shareholder	as on the date of Board Meeting and Postal Ballot Notice		as on the date of Public Announcement	
		Number of Equity Shares Held	% of shareholding	Number of Equity Shares Held	% of shareholding
1.	Ashish Kumar Saraf	5,04,914	2.06	5,04,914	2.06
2.	Navneet Kumar Saraf	14,13,082	5.78	14,13,082	5.78
3.	Nidhi Saraf	5,43,337	2.22	5,43,337	2.22
4.	Priyanka Saraf	5,00,000	2.04	5,00,000	2.04
5.	Ritu Saraf	1,56,464	0.64	1,56,464	0.64
6.	Shakuntala Saraf	51,69,867	21.13	51,69,867	21.13
7.	Sharad Kumar Saraf	4,06,840	1.66	4,06,840	1.66
8.	Sharad Kumar Madhuprasad Saraf HUF	22,05,366	9.02	22,05,366	9.02
9.	Sudarshan Kumar Saraf	67,94,903	27.78	67,94,903	27.78
10.	Sudarshan Kumar Madhuprasad Saraf HUF	74,797	0.31	74,797	0.31
11.	Suman Saraf	1,17,332	0.48	1,17,332	0.48
12.	Ashrit Holdings Limited	3,80,446	1.56	3,80,446	1.56
Total		1,82,67,348	74.68	1,82,67,348	74.68

b. Aggregate shareholding of the director(s) of the Promoters, where the promoter is a company and persons in control as on the date of the Board Meeting and postal ballot notice, i.e., November 14, 2022, and the date of this Public Announcement i.e. December 19, 2022, is as follows:

Sr. No.	Name of Director	Name of Promoter/ Promoter Group	as on the date of Board Meeting and Postal Ballot Notice		as on the date of Public Announcement	
			Number of Equity Shares Held	% of shareholding	Number of Equity Shares Held	% of shareholding
1.	Ashish Kumar Saraf	Ashrit Holdings Limited	5,04,914	2.06	5,04,914	2.06
2.	Navneet Kumar Saraf	Ashrit Holdings Limited	14,13,082	5.77	14,13,082	5.77
3.	Sudarshan Kumar Saraf	Ashrit Holdings Limited	67,94,903	27.78	67,94,903	27.78
4.	Vinod Kumar Ramawtar Gadodia	Ashrit Holdings Limited	546	0.00	546	0.00
5.	Mudit Vinod Raniwala	Ashrit Holdings Limited	100	0.00	100	0.00
Total			87,13,545	35.61	87,13,545	35.61

c. Aggregate shareholding of the directors and key managerial personnel of the Company, as on the date of the Board meeting and Postal Ballot Notice, i.e., November 14, 2022 and the date of this Public Announcement i.e. December 19, 2022, is as follows:

Sr. No.	Name of Director	Designation	as on the date of Board Meeting and Postal Ballot Notice		as on the date of Public Announcement	
			Number of Equity Shares Held	% of shareholding	Number of Equity Shares Held	% of shareholding
1.	Sharad Kumar Saraf	Chairman & Managing Director	4,06,840	1.66	4,06,840	1.66
2.	Sudarshan Kumar Saraf	Co- Chairman & Managing Director	67,94,903	27.78	67,94,903	27.78
3.	Navneet Kumar Saraf	Whole-time Director & CEO	14,13,082	5.77	14,13,082	5.77
4.	Ashish Kumar Saraf	Whole-time Director & CFO	5,04,914	2.06	5,04,914	2.06
5.	Atanu Chaudhary	Whole-time Director	Nil	Nil	Nil	Nil
6.	Vinod B. Agarwala	Independent Director	Nil	Nil	Nil	Nil
7.	Jagdeesh Mal Mehta	Independent Director	Nil	Nil	Nil	Nil
8.	Vishwambhar C. Saraf	Independent Director	Nil	Nil	Nil	Nil
9.	Aubrey I. Rebello	Independent Director	Nil	Nil	Nil	Nil
10.	Vaishali Choudhari	Independent Director	Nil	Nil	Nil	Nil
11.	Neeraj Rai	Company Secretary	Nil	Nil	Nil	Nil
Total			91,19,739	37.27	91,19,739	37.27

7.2 The aggregate number of Equity Shares or other specified securities in the Company were either purchased or sold by the following during a period of six months preceding the date of the Board Meeting at which the buyback was proposed and from the date of the Board Meeting till the date of the Public Announcement, i.e. December 19, 2022. There has been no sale/purchase of Equity Shares by persons mentioned under para 7.1 (a), para 7.1 (b) and 7.1 (c) above during the period of six months preceding the Board Meeting Date i.e. November 14, 2022 and from the date of the Board Meeting till the date of the Public Announcement, i.e. December 19, 2022.

## 8. INTENTION OF PROMOTER AND PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO PARTICIPATE IN BUYBACK

8.1 In terms of the SEBI Buyback Regulations, the Promoters and Promoter Group and persons in control have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group and persons in control of the Company have vide their letters dated November 14, 2022 expressed that they intend to participate in the Buyback and also have undertaken to comply with the MPS requirements even after the Buyback. Pursuant to the Buyback and depending upon the response to the Buyback (assuming full acceptance) in case there is an increase in voting rights of the Promoters and Promoter Group and persons in control beyond 75%, necessary steps will be taken to reduce their shareholding in accordance with the provisions contained under Rule 19A of the Securities Contract (Regulation) Rules, 1957 and the Listing Regulations.

8.2 The Promoter and Promoter Group of the Company has expressed their intention to participate in the Buyback and they may tender up to a maximum number of Equity Shares as detailed below:

Sr. No.	Name of Shareholder	No of Equity Shares held	Maximum Number of Equity Shares Intended to tender	
			5,04,914	5,04,914
1.	Ashish Kumar Saraf	5,04,914	5,04,914	5,04,914
2.	Navneet Kumar Saraf	14,13,082	14,13,082	14,13,082
3.	Nidhi Saraf	5,43,337	5,43,337	5,43,337
4.	Priyanka Saraf	5,00,000	5,00,000	5,00,000
5.	Ritu Saraf	1,56,464	1,56,464	1,56,464
6.	Shakuntala Saraf	51,69,867	51,69,867	51,69,867
7.	Sharad Kumar Saraf	4,06,840	4,06,840	4,06,840
8.	Sharad Kumar Madhuprasad Saraf HUF	22,05,366	22,05,366	22,05,366
9.	Sudarshan Kumar Saraf	67,94,903	67,94,903	67,94,903
10.	Sudarshan Kumar Madhuprasad Saraf HUF	74,797	74,797	74,797
11.	Suman Saraf	1,17,332	1,17,332	1,17,332
12.	Ashrit Holdings Limited	3,80,446	3,80,446	3,80,446
Total		1,82,67,348	1,82,67,348	1,82,67,348

8.3 The details of the date and price of acquisition/ sale of the Equity Shares by the Promoter, members of the Promoter Group and persons in control of the Company who intend to participate in the Buyback are set out below:

## a. Ashish Kumar Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	37	Nil	Other than Cash
01.09.1994	Bonus	10	3,330	Nil	Other than Cash
07.10.1994	Bonus	10	16,835	Nil	Other than Cash
06.03.2002	Buyback	10	(2,020)	218	Cash
27.06.2002	Buyback	10	(2,727)	238	Cash
08.03.2003	Bonus	10	4,757	Nil	Other than Cash
10.03.2005	Bonus	10	20,212	Nil	Other than Cash
01.03.2006	Bonus	10	30,318	Nil	Other than Cash
23.02.2016	Buyback	10	(10,899)	270	Cash
01.03.2018	Buyback	10	(5,576)	525	Cash
16.04.2018	Transfer (Gift)	10	4,50,647	Nil	Other than Cash
Total			5,04,914		

## b. Navneet Kumar Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	25	Nil	Other than Cash
01.09.1994	Bonus	10	2,250	Nil	Other than Cash
07.10.1994	Bonus	10	11,375	Nil	Other than Cash
09.10.1999	Transfer (Gift)	10	307,420	Nil	Other than Cash
06.03.2002	Buyback	10	(32,107)	218	Cash
27.06.2002	Buyback	10	(43,345)	238	Cash
08.03.2003	Bonus	10	75,605	Nil	Other than Cash
10.03.2005	Bonus	10	321,223	Nil	Other than Cash
01.03.2006	Bonus	10	481,834	Nil	Other than Cash
23.02.2016	Buyback	10	(173,220)	270	Cash
01.03.2018	Buyback	10	(88,625)	525	Cash
16.04.2018	Transfer (Gift)	10	5,50,647	Nil	Other than Cash
<b>total</b>			<b>14, 13, 082</b>		

k. Suman Saral					
Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	80	Nil	Other than Cash
01.09.1994	Bonus	10	7,200	Nil	Other than Cash
07.10.1994	Bonus	10	36,400	Nil	Other than Cash
06.03.2002	Buyback	10	(4,368)	218	Cash
27.06.2002	Buyback	10	(5,897)	238	Cash
11.03.2003	Bonus	10	10,286	Nil	Other than Cash
10.03.2005	Bonus	10	43,701	Nil	Other than Cash
28.02.2006	Bonus	10	65,552	Nil	Other than Cash
23.02.2016	Buyback	10	(23,565)	270	Cash
01.03.2018	Buyback	10	(12,057)	525	Cash
<b>Total</b>			<b>1,17,332</b>		

l. Ashrit Holdings Limited					
Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
06.07.2018	Market Purchase	10	685	494.00	Cash
09.07.2018	Market Purchase	10	469	494.00	Cash
12.07.2018	Market Purchase	10	7,020	494.93	Cash
13.07.2018	Market Purchase	10	239	495.00	Cash
19.07.2018	Market Purchase	10	6,897	495.00	Cash
20.07.2018	Market Purchase	10	16,800	495.00	Cash
23.07.2018	Market Purchase	10	516	492.00	Cash
25.07.2018	Market Purchase	10	352	492.00	Cash
23.08.2018	Market Purchase	10	337	495.00	Cash
24.08.2018	Market Purchase	10	507	495.00	Cash
26.08.2018	Market Purchase	10	112	490.00	Cash
08.10.2018	Market Purchase	10	37	495.00	Cash
04.06.2019	Market Purchase	10	13,000	460.20	Cash
12.06.2019	Market Purchase	10	124	437.89	Cash
12.06.2019	Market Purchase	10	729	442.00	Cash
19.06.2019	Market Purchase	10	25,184	434.96	Cash
20.08.2019	Market Purchase	10	877	300.00	Cash
21.08.2019	Market Purchase	10	31	300.00	Cash
22.08.2019	Market Purchase	10	1,65,106	299.99	Cash
18.12.2019	Market Purchase	10	14,732	280.58	Cash
30.12.2019	Market Purchase	10	1,467	280.00	Cash
02.03.2020	Market Purchase	10	454	285.59	Cash
03.03.2020	Market Purchase	10	10,052	279.50	Cash
04.03.2020	Market Purchase	10	2,318	281.22	Cash
05.03.2020	Market Purchase	10	777	284.86	Cash
06.03.2020	Market Purchase	10	1,854	284.09	Cash
09.03.2020	Market Purchase	10	5,299	283.11	Cash
11.03.2020	Market Purchase	10	3,753	283.95	Cash
12.03.2020	Market Purchase	10	43,758	279.47	Cash
13.03.2020	Market Purchase	10	36,640	265.40	Cash
16.03.2020	Market Purchase	10	272	250.00	Cash
17.03.2020	Market Purchase	10	7,063	240.00	Cash
18.03.2020	Market Purchase	10	12,985	230.00	Cash
<b>Total</b>			<b>3,80,446</b>		

9. NO DEFAULTS  
There are no defaults subsisting in the repayment of any deposits (including interest payable thereon), redemption of debentures or preference shares, payment of dividend or repayment of any term loans to any shareholder or financial institution or banking company (including interest payable thereon), as the case may be.

10. CONFIRMATIONS FROM COMPANY AS PER THE PROVISIONS OF SEBI BUYBACK REGULATIONS AND COMPANIES ACT

- The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of expiry of the Buyback period;
- The Company shall not raise further capital for a period of one year, from the expiry of the Buyback period, except in discharge of subsisting obligations;
- The Company shall not withdraw the Buyback after the Draft Letter of Offer is filed with SEBI or the Public Announcement of the offer to Buyback is made;
- The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
- The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares purchased through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
- The Company confirms that there are no defaults subsisting in repayment of deposits or interest thereon, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend or repayment of any term loans or interest payable thereon to any shareholder or financial institution or banking company, as the case may be; All the Equity Shares of the Company are fully paid-up;
- The Company shall not Buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback; There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date;
- The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback based on per the standalone and consolidated audited financials of the Company for the year ended as on March 31, 2022 of the Company; and
- The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies.

11. CONFIRMATION BY THE BOARD OF DIRECTORS OF THE COMPANY

- The Board has confirmed in the Board Meeting that they have made a full inquiry into the affairs and prospects of the Company and that they have formed the opinion:
- Immediately following the date of the Board Meeting, and the date on which the result of Members resolution passed by way of Postal Ballot ("Postal Ballot Resolution") will be declared, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
  - As regards the Company's prospects for the year immediately following the date of the Board Meeting approving the Buyback as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of 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 the Board Meeting as also from the date of Postal Ballot Resolution;
  - 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/ Insolvency and Bankruptcy Code, 2016 as amended from time to time, as applicable.

12. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the Report dated November 14, 2022 of M/s. M. L. Sharma & Co, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

**Quote**  
November 14, 2022  
To,  
The Board of Directors  
**Technocraft Industries (India) Limited,**  
Plot No. 47, 'Opus Centre', Second Floor, Central Road, MIDC, Opposite Tunga Paradise Hotel, Andheri (East), Mumbai 400093  
Dear Sirs /Madam,

**Re: Statutory Auditors' Report in respect of proposed buy back of Equity Shares by Technocraft Industries (India) Limited ('the Company') in terms of clause (xi) of Schedule I to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ('the SEBI Buyback Regulations').**

1. This Report is issued in accordance with the terms of our engagement letter dated 07<sup>th</sup> November, 2022. The Board of Directors of Technocraft Industries (India) Limited ("the Company") have approved a proposed buy-back of Equity Shares by the Company at its meeting held on 14<sup>th</sup> November, 2022, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") read with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("SEBI Buy-back Regulations").

2. We have been requested by the Management of the Company to provide a report on the accompanying Statement of permissible capital payment (Annexure A) as at 31<sup>st</sup> March, 2022 (hereinafter referred together as the "Statement"). This Statement has been prepared by the management, which we have initiated for the purpose of Identification.

**Management's Responsibility for the Statement**

3. The preparation of the Statement in accordance with Section 68(2) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buy-back Regulations, is the responsibility of the Management 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 prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Companies Act and the SEBI Buyback Regulations.

**Auditors' Responsibility**

5. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance whether:

- we have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at 31<sup>st</sup> March, 2022 which was adopted by the Members of the Company at the Annual General Meeting held on 26<sup>th</sup> September, 2022
- the amount of permissible capital payment as stated in Annexure A, has been determined considering the annual audited standalone and consolidated financial statements as at 31<sup>st</sup> March, 2022 in accordance with Section 68(2)(c) of the Act, Regulation 4(i) of the SEBI Buyback Regulations and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations; and
- the Board of Directors of the Company, in their Meeting held on 14<sup>th</sup> November, 2022 has formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buyback 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 aforesaid date with regard to the proposed buyback are declared.
- Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. Within the scope of our work, we performed the following procedures:
- Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2) of the Act;
- Examined authorization for buyback from the Articles of Association of the Company;
- Inquired into the state of affairs of the Company with reference to the audited standalone financial statements for the year ended 31<sup>st</sup> March, 2022;
- Verified the arithmetical accuracy of the amounts mentioned in Annexure A;
- Examined the Board of Directors' declarations for the purpose of buyback and solvency of the Company; and
- Obtained appropriate representations from the Management of the Company.
- The audited standalone and consolidated financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by M/s. Dhiraaj & Dheeraj, on which they have issued an unmodified audit opinion vide their report dated 27<sup>th</sup> May, 2022. As stated in the Auditors Report, the audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards also require that auditors plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We have relied on the Report issued by M/s. Dhiraaj & Dheeraj.
- We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 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.
- We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**Opinion**

- Based on inquiries conducted and our examination as above, we report that:
- We have inquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022, which have been approved by the Board of Directors at board meeting and Members of the Company at the Annual General Meeting held on 27<sup>th</sup> May, 2022 and on 26<sup>th</sup> September, 2022 respectively. The amount of permissible capital payment (including premium) towards the

proposed buyback of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68 (2)(c) of the Act, Regulation 4(i) of the SEBI Buyback Regulations and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations.

b. The Board of Directors of the Company, in their meeting held on 14<sup>th</sup> November, 2022 has formed opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the date of passing the Board Resolution dated 14<sup>th</sup> November, 2022.

**Restriction on use**

12. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be sent to the shareholders of the Company or to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges and any other regulatory authority as per applicable law in India and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) can be shared with the merchant banker(s) involved in connection with the proposed buyback of equity shares of the Company for onward submission to SEBI, stock exchanges and / or any other regulatory authority as required under the law in India, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. 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 certificate is shown or into whose hands it may come without our prior consent in writing.

**FOR M. L. SHARMA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM REG. NO. 109963W**  
**Sd/-**  
**(VIKAS L. BAJAJ)**  
**PARTNER**  
**Membership No. 104982;**  
**UDIN – 22104982BDBWM06796**  
**Place of Signature : Mumbai**  
**Date : 14th November 2022**

**Annexure A – Statement of permissible capital payment (including premium)**

Computation of amount of permissible capital payment (including premium) towards buyback of equity shares of Technocraft Industries (India) Limited in accordance with proviso to Section 68(2) of the Companies Act, 2013 (the "Act") and Regulation 4(i) and proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations (the "Statement"):

		Amount (Rs. in crores)	
Particulars as on 31 <sup>st</sup> March, 2022	Amount extracted from the latest audited standalone financial statements as at 31 <sup>st</sup> March, 2022	Amount extracted from the latest audited consolidated financial statements as at 31 <sup>st</sup> March, 2022	
Paid up Equity Share Capital (2,44,61,687 shares of Rs. 10/- each)	A	24.46	24.46
<b>Free Reserves:</b>			
Profit and loss account balance		1,018.81	1,166.66
Securities Premium		0.00	459.12
General reserve		121.57	136.32
Total Free Reserves	B	1,140.38	1,762.10
<b>Total paid up capital and free reserves</b>	<b>C=A+B</b>	<b>1,164.84</b>	<b>1,786.56</b>
Maximum amount permissible under the Act/ Buyback Regulations with Shareholder approval :- 25% of total paid-up equity capital and free reserves,	C*25%	291.21	446.64
Maximum amount permissible under the Act/ Buyback Regulations with Board approval:- 10% of total paid-up equity capital and free reserves.	C*10%	116.48	178.66

Note: Maximum amount permissible under the Act/ SEBI Buyback Regulations shall be the lower of the standalone and the consolidated financial statements as at March 31, 2022.

**For and on behalf of Board of Directors**  
**Technocraft Industries (India) Limited**  
**Sd/-**  
**Ashish Kumar Saral**  
**Chief Financial Officer and Whole-time Director**  
**DIN: 00035549**  
**Date: November 14, 2022**  
**Place: Mumbai**

**Unquote**

**13. RECORD DATE AND SHAREHOLDER ENTITLEMENT**

13.1 As required under the SEBI Buyback Regulations, the Company has fixed **December 30, 2022** as the **Record Date** for the purpose of determining the entitlement and the names of the Eligible Shareholders.

13.2 In due course, Eligible Shareholders will receive a Letter of Offer in relation to the Buyback ("**Letter of Offer**" or "**LOF**") along with a tender offer form indicating the entitlement of the Eligible Shareholders for participating in the Buyback.

13.3 The Equity Shares proposed to be bought back by the Company, as a part of Buyback is divided into two categories: reserved category for Small Shareholders (defined under Regulation 2(i)(n) of the Buyback Regulations as a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Rs. 2,00,000 (Rupees Two Lakh only); and

ii. the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

13.4 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.

13.5 Based on the shareholding as on the Record Date, the Company will determine the entitlement of each Eligible Shareholder to tender their Equity Shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective Eligible Shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such Eligible Shareholder belongs. The final number of Equity Shares the Company will purchase from each Eligible Shareholders will be based on the total number of Equity Shares tendered. Accordingly, in the event of the overall response to the Tender Offer being in excess of the Buyback Offer Size, the Company may not purchase all the Equity Shares tendered by the Eligible Shareholders, over and above their entitlement.

13.6 After accepting the Equity Shares tendered on the basis of the entitlement, the Equity Shares left to be bought back, if any in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by the Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in that category.

13.7 In order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common permanent account number ("**PAN**") for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback (defined below) as per the shareholder records received from the depositories.

13.8 The Eligible Shareholders participating in Buyback is voluntary. The Eligible Shareholders can choose to participate, in part or in full, and get cash in lieu of Equity Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any.

13.9 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. If the Buyback entitlement for any Eligible Shareholder is not a round number (i.e., not a multiple of one Equity Share), then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback. On account of ignoring the fractional entitlement, those Small Shareholders whose entitlement would be zero Equity Shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for additional Equity Shares.

13.10 The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedures laid down in the SEBI Buyback Regulations.

13.11 Detailed instructions for participation in the Buyback (Tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders as on Record Date and the Company shall comply with the SEBI circular No. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, as applicable.

**14. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK**

14.1 The Buyback is open to all eligible shareholders, i.e., the shareholders who on the Record Date were holding Equity Shares either in physical form ("**Physical Shares**") and the beneficial owners who on the Record Date were holding Equity Shares in the dematerialized form ("**Demat Shares**") (such shareholders are referred as the "**Eligible Shareholders**"). Additionally, the Buyback shall, subject to applicable laws, to be facilitated by tendering of Equity Shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.

14.2 The Buyback will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular No. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and in accordance with the procedure prescribed in the Companies Act and the SEBI Buyback Regulations, and as may be determined by the Board of Directors, or the Buyback Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "**Buyback Committee**"), on such terms and conditions as may be permitted by law from time to time.

14.3 For the implementation of the Buyback, the Company has appointed Systematic Shares and Stocks (India) Limited as the registered broker ("**Company's Broker**") to facilitate the process of tendering of Equity Shares through the stock exchange mechanism for the Buyback and through whom the purchases and settlements on account of the Buyback would be made by the Company.

**The contact details of the Company's Broker are as follows:**

**Systematic Shares and Stocks (India) Limited**  
The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India  
**Telephone:** +91-22-6619 8000 **Fax:** +91-22-6619 8029  
**Email:** compliance@systematicgroup.in; **Website:** www.systematicgroup.in  
**Contact Person:** Mr. Dilip Goyal, **SEBI Registration Number:** INZ000171134

14.4 The Company will request NSE to provide the separate acquisition window ("**Acquisition Window**") to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. NSE will be the designated Stock Exchange for the purpose of this Buyback. The details of the Acquisition Window will be specified by the NSE from time to time.

14.5 During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock broker(s) ("**Seller Member(s)**") during normal trading hours of the secondary market. The Seller Member can enter orders for Equity Shares held in dematerialized form and physical form. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

14.6 In the event the Seller Member(s) of any Eligible Shareholder is not registered with NSE as a trading member/ stock broker, then that Eligible Shareholder can approach any NSE registered stock broker and can register themselves by using quick unique client code ("**UCC**") facility through the registered stock broker (after submitting all details as may be required by such registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other registered broker, Eligible Shareholders may approach Company's Broker i.e., Systematic Shares and Stocks (India) Limited to place their bids, subject to completion of KYC requirements as required by the Company's Broker.

14.7 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

14.8 The cumulative quantity tendered shall be made available on the website of NSE (www.nseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

14.9 Further, the Company will not accept Equity Shares tendered for Buyback which are under restraint order of the court/ any other competent authority for transfer/ sale and/ or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.

**Procedure to be followed by Eligible Shareholders holding Equity Shares in dematerialized form:**

- Eligible Shareholders who desire to tender their Equity Shares held by them in dematerialised form under the Buyback would have to do so through their respective Seller Member by indicating the details of Equity Shares they intend to tender under the Buyback, to their Seller Member.
- The Seller Member(s) would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Designated Stock Exchange (NSE). For further details, Eligible Shareholders may refer to the circulars issued by the Stock Exchanges and Indian Clearing Corporation Limited and the National Securities Clearing Corporation (collectively referred to as "**Clearing Corporations**").

- The details and the settlement number under which the lien will be marked on the Equity Shares tendered for the Buyback will be provided in a separate circular to be issued by the Stock Exchanges and/or the Clearing Corporation. The lien shall be marked by the Seller Member in the demat account of the Eligible Shareholder for the shares tendered in tender offer. Details of shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Clearing Corporation. In case, the Shareholders demat account is held with one depository and clearing member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter depository tender offer ("**IDT**") instructions shall be initiated by the shareholders at source depository to clearing member/ Clearing Corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by custodian. The custodian participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification by the concerned selling member shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Seller Member(s) shall provide a Transaction Registration Slip ("**TRS**") generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of the order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered etc. In case of non-receipt of the completed tender form and other documents, but lien marked on Equity Shares and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
- It is clarified that in case of dematerialized Equity Shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporations and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.
- The Eligible Shareholders will have to ensure that they keep the depository participant ("**DP**") account active and unblocked. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company. The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable