



# SARLA PERFORMANCE FIBERS LIMITED

Corporate Identity Number (CIN): L31909DN1993PLC000056

Registered Office: Survey No. 59/1/4, Amlipiparia Industrial Estate, Silvassa - 396 230 (U.T. of Dadra & Nagar Haveli)

Corporate Office: 304, Arcadia, Nariman Point, Mumbai – 400021, Maharashtra, India

Tel: 0260-3290467 Website: www.sarlafibers.com E-mail: investors@sarlafibers.com

Contact Person: Mr. Mustafa Manasawala, Company Secretary & Compliance Officer

## PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF SARLA PERFORMANCE FIBERS LIMITED ("COMPANY") FOR THE BUYBACK OF EQUITY SHARES ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE USING STOCK EXCHANGE MECHANISM AS PRESCRIBED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED FROM TIME TO TIME ("BUYBACK REGULATIONS").

This public announcement ("Public Announcement"/ "PA") is being made pursuant to Regulation 7(i) of the Buyback Regulations, in relation to the buyback of fully paid-up equity shares having face value of ₹ 1 (Rupee one only) each ("Equity Shares"), by the Company from its Equity Shareholders/Beneficial Owners through the Tender Offer route using the stock exchange mechanism, in accordance with the Securities and Exchange Board of India ("SEBI") circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, circular no. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and SEBI circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/36 dated March 08, 2023, including any further amendments thereof ("SEBI Circulars"), and contains the disclosures as specified in Schedule II read with Schedule I to the Buyback Regulations.

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. Further, certain numerical information in this Public Announcement has been presented in "crore". All references to "Rupee(s)", "₹", "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India.

**OFFER TO BUYBACK UP TO 40,00,000 (FORTY LAKH) EQUITY SHARES AT A PRICE OF ₹ 110 (RUPEES ONE HUNDRED AND TEN ONLY) PER EQUITY SHARE, PAYABLE IN CASH, ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE USING THE STOCK EXCHANGE MECHANISM FOR AN AGGREGATE CONSIDERATION OF UP TO ₹ 44,00,00,000 (RUPEES FORTY FOUR CRORE ONLY).**

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

1.1 At the meeting held on Monday, May 11, 2026 ("Board Meeting"), the Board of Directors of the Company (the "Board", which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by the resolution passed by the Board at the Board Meeting), subject to such approvals of regulatory and/or statutory authorities as may be required under applicable laws, approved the buyback of up to 40,00,000 (Forty lakh) Equity Shares, representing approximately 4.79% of the total number of outstanding Equity Shares of the Company as on March 31, 2026, at a price of ₹ 110 (Rupees one hundred and ten only) per Equity Share ("Buyback Price"), subject to any increase to the Buyback Price as may be approved by the Board or the Buyback Committee, payable in cash for an aggregate amount of up to ₹ 44,00,00,000 (Rupees forty four crore only) ("Buyback Size"), excluding Transaction Costs, from all equity shareholders / beneficial owners of the Company who hold Equity Shares as of the Record Date, excluding the Promoter and Promoter Group who have expressed their intention not to participate in the Buyback, on a proportionate basis through the tender offer route, in accordance with the Companies Act, 2013, the Buyback Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") and the SEBI Circulars ("Buyback").

1.2 The Buyback Size constitutes 6.28% and 9.49% of the aggregate of the total paid-up equity share capital and free reserves (including securities premium) of the Company as per the latest audited standalone and consolidated financial statements of the Company as at March 31, 2026, respectively, and is within the statutory limit of 10% of the aggregate of the total paid-up equity share capital and free reserves (including securities premium) of the Company based on the audited standalone and consolidated financial statements of the Company as at March 31, 2026, under the Board approval route as per Section 68 and other applicable provisions of the Companies Act and Regulation 5 and other applicable provisions of the Buyback Regulations. Further, since the Equity Shares proposed to be bought back represent approximately 4.79% of the total number of outstanding Equity Shares of the Company as of March 31, 2026, the same is within the 25% limit as per the provisions of the Companies Act and Regulation 4(i) of the Buyback Regulations.

1.3 The Buyback is in accordance with Article 52 of the Articles of Association of the Company and Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, and rules framed thereunder, including the Share Capital Rules, the Management Rules, the Listing Regulations to the extent applicable, Buyback Regulations read with SEBI Circulars, 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 the SEBI, Registrar of Companies, Ahmedabad, National Stock Exchange of India Limited ("NSE"), BSE Limited ("BSE") and/or other authorities, institutions or bodies, 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.

1.4 In terms of Regulation 5(via) of the Buyback Regulations, the Board or Buyback Committee may, till 1 (one) working day prior to the Record Date, increase the Buyback Price and decrease the number of Equity Shares proposed to be bought back, such that there is no change in the Buyback Size.

1.5 The Buyback Size does not include transaction costs viz. brokerage cost, fees, turnover charges, applicable taxes such as securities transaction tax, goods and services tax, stamp duty etc. expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses for Letter of Offer and other incidental and related expenses ("Transaction Costs").

1.6 The Equity Shares of the Company are listed on the BSE Limited (Security Code: 526885) and the National Stock Exchange of India Limited (Symbol: SARLAPOLY) (hereinafter together referred to as the "Indian Stock Exchanges"). The Buyback shall be undertaken on a proportionate basis (subject to reservation for small shareholders) from all the Equity Shareholders/beneficial owners of the Company (the Promoters and the Promoter Group having expressed their intention not to participate), who holds Equity Shares as at Friday, May 15, 2026 ("Record Date") (such shareholders "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 SEBI Circulars. In this regard, the Company will request BSE to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback and, for the purposes of this Buyback, BSE will be the designated Stock Exchange.

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, 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, as amended, and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders.

1.8 In terms of the Buyback Regulations, under the Tender Offer route, the members of the Promoter and Promoter Group and person in control of the Company have the option to participate in the Buyback. In this regard, the members of the Promoter and Promoter Group vide their letters dated May 11, 2026, have expressed their intention not to participate in the Buyback.

1.9 Participation in the Buyback by Eligible Shareholders may trigger capital gains taxation in India and in their country of residence. The transaction buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buyback.

A copy of this Public Announcement is available on the Company's website i.e., (www.sarlafibers.com), the Manager to the Buyback i.e., (www.mncgroup.com), and is expected to be made available on the website of SEBI i.e., (www.sebi.gov.in) during the period of the Buyback and on the website of NSE and BSE, i.e., (www.nseindia.com) and (www.bseindia.com) respectively.

### 2. NECESSITY FOR THE BUYBACK

(i) The Buyback is being undertaken, inter alia, for the following reasons:

(i) The Buyback will help the Company to reward its shareholders and enhance the overall return to shareholders;

(ii) The Buyback is expected to improve earnings per share and other key ratios such as return on net worth and return on assets over a period of time; and

(iii) The Buyback, which is being implemented through the tender offer route as prescribed under the 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)(ii) of the Buyback Regulations;

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

3.1 The Company proposes to buy back up to 40,00,000 (Forty lakh) Equity Shares, representing 4.79% of the total number of outstanding Equity Shares of the Company as of March 31, 2026.

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

4.1 The Equity Shares of the Company are proposed to be bought back at a price of ₹ 110 (Rupees One Hundred and Ten only) per Equity Share.

4.2 The Buyback Price has been arrived at after considering various factors including but not limited to the trends in the volume weighted average market prices and the closing price of the Equity Shares on the BSE and NSE.

4.3 The Buyback Price represents:

(i) a premium of 29.26% and 30.08% over the volume weighted average market price of the Equity Shares on BSE and NSE respectively, during the three (3) months preceding Wednesday, May 06, 2026, being the date of intimation to the Indian Stock Exchanges regarding the proposal of Buyback being considered at the Board Meeting ("Intimation Date");

(ii) a premium of 19.39% and 19.50% over the volume weighted average market price of the Equity Shares on BSE and NSE respectively, during the two (2) weeks preceding the Intimation Date;

(iii) a premium of 16.87% and 17.25% over the closing price of the Equity Shares on BSE and NSE respectively, as on the trading day immediately preceding the Intimation Date, i.e., Tuesday, May 5, 2026;

(iv) a premium of 19.44% and 19.41% over the closing price of the Equity Shares on BSE and NSE respectively, as on May 11, 2026, being the board meeting date; and

(v) the closing market price of the Equity Shares on the trading day immediately preceding the Intimation Date i.e., May 5, 2026, was ₹ 94.12 and ₹ 93.82, and as on date of the Board Meeting, i.e., May 11, 2026, was ₹ 92.10 and ₹ 92.12, on BSE and NSE, respectively.

4.4 As required under Section 68(2)(d) of the Companies Act and Regulation 4(i)(a) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up equity share capital and free reserves (including securities premium) after the Buyback based on standalone and consolidated financial statements of the Company as on March 31, 2026, whichever is lower.

4.5 In terms of Regulation 5(via) of the Buyback Regulations, the Board may, till 1 (One) working day prior to the Record Date, increase the Buyback Price and decrease the number of Equity Shares proposed to be bought back, such that there is no change in the Buyback Size.

### 5. MAXIMUM AMOUNT OF FUNDS REQUIRED UNDER THE BUYBACK, ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES AND SOURCES OF FUNDS FROM WHICH BUYBACK WILL BE FINANCED

5.1 The maximum amount required for Buyback will not exceed ₹ 44,00,00,000 (Rupees Forty Four Crore only) (excluding Transaction Costs). The Buyback Size constitutes 8.28% and 9.49% of the aggregate of the total paid-up share capital and free reserves (including securities premium) as per the latest audited standalone and consolidated financial statements of the Company as at March 31, 2026, respectively, which is within the statutory limit of 10% of the total paid-up equity capital and free reserves (including securities premium) of the Company as at March 31, 2026, under the Board approval route as per Section 68 and other applicable provisions of the Companies Act and Regulation 5 and other applicable provisions of the Buyback Regulations.

5.2 The funds for the implementation of the proposed Buyback will be sourced out of the free reserves (including securities premium) of the Company and/or such other sources as may be permitted by the Buyback Regulations or the Companies Act. Funds borrowed from banks and financial institutions, if any, will not be used for Buyback.

5.3 The Company shall transfer, from its free reserves and/or such other sources as may be permitted by law, 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 financial statements.

### 6. DETAILS OF HOLDING AND TRANSACTIONS IN THE EQUITY SHARES BY THE MEMBERS OF THE PROMOTER AND PROMOTER GROUP, PERSONS IN CONTROL, DIRECTORS/TRUSTEES OF MEMBERS OF THE PROMOTER AND PROMOTER GROUP, DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY AND INTENTION OF MEMBERS OF THE PROMOTER AND PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO PARTICIPATE IN THE BUYBACK

6.1 The aggregate shareholding in the Company of (i) the members of the Promoter and Promoter Group and persons in control of the Company, (ii) Directors/trustee(s) of the Companies/Trust forming part of the Promoter and Promoter Group and (iii) directors (other than members of the Promoter and Promoter Group) and Key Managerial Personnel of the Company, as on the date of the Board Meeting i.e., May 11, 2026 and the date of this Public Announcement, are as follows:

### (i) Aggregate shareholding of the members of the Promoter and Promoter Group and persons in control of the Company:

Sr. No.	Name of the Shareholder	Category	Nos. of Equity Shares	% of shareholding
1.	Krishna Jhunjhunwala	Promoter	32,69,000	3.92
2.	Sarladevi Madhusudan Jhunjhunwala	Promoter	38,94,000	4.67
<b>Total (A)</b>			<b>71,63,000</b>	<b>8.59</b>
3.	Madhusudan Jhunjhunwala and Sons HUF	Promoter Group	24,69,596	2.96
4.	Vrinda Krishna Jhunjhunwala	Promoter Group	8,80,252	1.05
5.	Kanav Krishna Jhunjhunwala	Promoter Group	6,47,000	0.77
6.	Krishnakumar and Sons HUF	Promoter Group	3,25,000	0.39
7.	Neha Krishna Jhunjhunwala	Promoter Group	4,000	Negligible
8.	Sarladevi Madhusudan Jhunjhunwala (as Partner of Hindustan Cotton Company)	Promoter Group	1,16,59,430	13.97
9.	Satidham Industries Pvt. Ltd.	Promoter Group	2,41,33,297	28.90
10.	Sarla Estate Developers Pvt Ltd.	Promoter Group	1,45,537	0.17
11.	Harmony Estates Pvt Ltd.	Promoter Group	2,60,095	0.31
<b>TOTAL (B)</b>			<b>4,05,24,207</b>	<b>48.52</b>
<b>Total (A+B)</b>			<b>4,76,87,207</b>	<b>57.11</b>

### (ii) Aggregate shareholding of the director(s)/trustee(s) of the companies/trusts forming part of the Promoter and Promoter Group in the Company:

Sr. No.	Name of the Companies/ trusts forming part of the Promoter and Promoter Group	Name of the director(s)/trustee(s)	No. of Equity Shares	% of Shareholding
1.	Satidham Industries Pvt. Ltd	Krishna Jhunjhunwala Vrinda Krishna Jhunjhunwala	32,69,000 8,80,252	3.92 1.05
2.	Sarla Estate Developers Pvt Ltd	Krishna Jhunjhunwala Sarladevi Madhusudan Jhunjhunwala	32,69,000 38,94,000	3.92 4.67
3.	Harmony Estates Pvt Ltd	Krishna Jhunjhunwala Vrinda Krishna Jhunjhunwala Sarladevi Madhusudan Jhunjhunwala	32,69,000 8,80,252 38,94,000	3.92 1.05 4.67

### (iii) Aggregate shareholding of the Directors and Key Managerial Personnel of the Company (other than members of the Promoter and Promoter Group):

Sr. No.	Name of the Persons and Designation	Designation	Nos. of Equity Shares held	% of Shareholding
1.	Sachin Shashikant Abhyankar	Non- Executive Independent Director	2,81,565	0.34

Except as disclosed below, none of the Equity Shares of the Company have been purchased / sold by any Promoter/ Promoter Group, Directors and Key Managerial Personnel during the period from the six months preceding the date of the Board Meeting i.e. Monday, May 11, 2026, at which the Buyback was proposed until the date of this Public Announcement.

Sr. No.	Name	Aggregate no. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price per Equity Share	Date of Maximum Price	Minimum Price per Equity Share	Date of Minimum Price
1.	Sarladevi Madhusudan Jhunjhunwala (as Partner of Hindustan Cotton Company)	147,041	Purchase	88.00	December 5, 2025	78.69	February 9, 2026
2.	Satidham Industries Private Limited	1,000	Purchase	88.00	November 19, 2025	88.00	November 19, 2025

### 7. INTENTION OF THE PROMOTER AND MEMBERS OF THE PROMOTER GROUP AND PERSONS WHO ARE IN CONTROL OF THE COMPANY TO TENDER THEIR EQUITY SHARES IN THE BUYBACK

7.1 In terms of the Buyback Regulations, under the tender offer route, the members of the Promoter and Promoter Group (who are the only persons in control of the Company) have the option to participate in the Buyback. In this regard, the members of the Promoter and Promoter Group vide their respective letters dated May 11, 2026, have expressed their intention not to participate in the Buyback.

7.2 Accordingly, the disclosures required as per paragraph (viii) to Schedule I of the Buyback Regulations are not applicable.

7.3 Given that the members of the Promoter and Promoter Group have expressed their intention not to participate in the Buyback, the Equity Shares held by members of the Promoter and Promoter Group shall not be considered for computing the entitlement ratio, in accordance with the proviso to Regulation 4 (iv)(a) of the Buyback Regulations, and to that extent, the Eligible Shareholders will have a higher buyback entitlement ratio.

### 8. CONFIRMATIONS FROM COMPANY AS PER THE PROVISIONS OF THE BUYBACK REGULATIONS AND COMPANIES ACT

8.1 All the Equity Shares of the Company are fully paid up.

8.2 The Company shall not issue and allot any Equity Shares or other specified securities (including by way of bonus) from the date of the Board Meeting till the expiry of the Buyback period i.e., the date on which the payment of consideration is made to the shareholders who have accepted the offer of Buyback, except in discharge of subsisting obligations through conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares. There are no subsisting obligations to issue or allot any Equity Shares or other specified securities through conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

8.3 Unless otherwise specifically permitted by any relaxation issued by SEBI and/or any other regulatory authority, the Company shall not raise further capital for a period of one (1) year from the expiry of the Buyback Offer is made except in discharge of subsisting obligations.

8.4 The Company, as per the provisions of Section 68(B) of the Companies Act, will not make any further issue of the same kind of Equity Shares or other specified securities including allotment of new equity shares under clause (a) of sub-section (1) of section 62 of the Companies Act or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

8.5 The Company shall not withdraw the Buyback after the Public Announcement of the offer to Buyback is made.

8.6 The Company will ensure consequent reduction of its share capital post Buyback and the Equity Shares bought back by the Company will be compulsorily extinguished and physically destroyed in the manner prescribed under the Buyback Regulations and the Companies Act within the specified timelines.

8.7 The Company shall not buy back Equity Shares which are locked-in or non-transferable until the pendency of such lock-in, or until the time the Equity Shares become transferable, as applicable, during the period between the date of opening and closing of the Buyback Offer.

8.8 The consideration for the Buyback shall be paid by the Company only in cash.

8.9 The Company shall not utilize any money borrowed from banks or financial institutions for the purpose of buying back its Equity Shares.

8.10 The Company shall not buyback its Equity Shares or other specified securities from any person through negotiated deal whether on or off the Indian Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback.

8.11 There are no defaults (either in the past or subsisting) in the repayment of deposits (or interest payment thereon), redemption of debentures (or payment of interest 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 (including interest payable thereon), as the case may be, and in case of defaults which have ceased to subsist, if any, a period of more than 3 (three) years has lapsed.

8.12 The Company has not undertaken a buyback of any of its securities during the period of one (1) year immediately preceding the date of the Board Meeting.

8.13 The Company has been in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act.

8.14 The aggregate amount of Buyback (i.e. up to ₹ 44,00,00,000 (Rupees Forty Four Crore only) does not exceed 10% of the aggregate of the paid-up equity share capital and free reserves (including securities premium) of the Company as per the latest audited standalone and consolidated financial statements for the financial year ended March 31, 2026.

8.15 The maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 40,00,000 (Forty Lakh) Equity Shares does not exceed 25% of the total number of outstanding Equity Shares of the Company as on March 31, 2026.

8.16 The Company shall not make any further offer of Buyback within a period of one (1) year reckoned from the expiry of the period of Buyback i.e., the date on which the payment of consideration to shareholders who have accepted the Buyback Offer is made.

8.17 The Company shall comply with the statutory and regulatory timelines in respect of the Buyback in such manner as prescribed under the Companies Act and/or the Buyback Regulations and any other applicable laws.

8.18 The Buyback shall be completed within a period of one (1) year from the date of passing of the Board resolution approving the buyback.

8.19 There are no pending schemes of amalgamation or compromise or arrangement pursuant to the Companies Act ("Scheme") involving the Company and no public announcement of the Buyback shall be made during pendency of any such scheme.

8.20 The ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice its paid-up capital and free reserves (including securities premium) based on the latest audited standalone and consolidated financial statements for the year ended March 31, 2026, as prescribed under the Companies Act and rules made there under and Buyback Regulations.

8.21 The Company is not buying back its Equity Shares so as to delist its shares or other specified securities from the Stock Exchanges.

8.22 The Company shall not directly or indirectly purchase its own Equity Shares or other specified securities: (i) through any subsidiary company including its own subsidiary companies; and (ii) through any investment company or group of investment companies.

8.23 As per Regulation 24(i)(e) of the Buyback Regulations, the Promoter and members of the Promoter Group, and/or their associates, shall not deal in the Equity Shares or other specified securities of the Company either through the Indian 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 of the Board Resolution till the date of closure of the Buyback offer.

8.24 In accordance with Regulation 6 of the Buyback Regulations, the Company shall reserve 15% of the number of Equity Shares which the Company proposes to buy back or such number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, for the small shareholders as part of the Buyback.

8.25 The Company shall transfer, from its free reserves or securities premium account and / or such sources as may be permitted by law, to 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.

8.26 The Company has outstanding facilities with its lenders. In accordance with Regulation 5(i)(c) read with Schedule I (xii) of the Buyback Regulations, the Company shall not undertake the Buyback unless it has obtained prior consent of its lenders, in case of breach of any covenant with such lenders. The Company confirms that it has obtained the prior consent of its lenders, as necessary, for undertaking the Buyback.

### 9. CONFIRMATION BY THE BOARD OF DIRECTORS OF THE COMPANY

9.1 As required by clause (x) of Schedule I of the Buyback Regulations, the Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

(i) immediately following the date of the Board Meeting i.e., Monday, May 11, 2026, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts, if any;

(ii) as regards the Company's prospects for the year immediately following the date of the Board Meeting 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 (1) year from the date of the Board Meeting; and

(iii) in forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, as applicable.

### 10. REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated May 11, 2026, of C N K & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of the Company is reproduced below:

#### Quote

To,  
The Board of Directors,  
Sarla Performance Fibers Limited  
Survey No. 59/1/4, Amlipiparia Industrial Estate,  
Silvassa - 396 230 (U.T. of Dadra & Nagar Haveli)

Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by Sarla Performance Fibers Limited (the "Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 as amended (the "Buyback Regulations")

1. This report is issued in accordance with our engagement letter dated April 20, 2026.

2. The Board of Directors of the Company have approved a proposal for buyback of Equity Shares by the Company at its meeting held on May 11, 2026, in accordance with the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buyback Regulations.

3. We have been requested by the Management of the Company to provide a report to the accompanying "Statement of Permissible Capital Payment for the year ended March 31, 2026" ("Annexure A") (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have stamped for the purposes of identification only.

#### Management's Responsibility

4. The preparation of the Statement in compliance with Section 68(2)(b) of the Act and Regulation 5(i)(b) of the Buyback Regulations in compliance with the Buyback Regulations is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls 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.

5. As the Buyback Regulations and the Act do not define the term "insolvent", the Company has applied the guidance provided in paragraphs 25 and 26 of IndAS 1, Presentation of Financial Statements

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**Notes:**

- The amount of paid-up equity share capital and free reserves as at March 31, 2026 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2026.
- As the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended and the Act do not define the term "insolvent", the Company has applied the guidance provided in paragraphs 25 and 26 of Ind AS 1, Presentation of Financial Statements, which relate to the assessment of the Company's ability to continue as a going concern for a period of one year from May 11, 2026 as well as for a period of one year immediately following the date of passing of the Board Meeting resolution.

**For and on behalf of Sarla Performance Fibers Limited**

Sd/-  
Krishna Jhunjhunwala  
(Managing Director)  
DIN: 00097175

Date: May 11, 2026

**Unquote****11. RECORD DATE AND SHAREHOLDER ENTITLEMENT**

- As required under the Buyback Regulations, the Company has fixed Friday, May 15, 2026, as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders, who will be eligible to participate in the Buyback.
- In due course, Eligible Shareholders will receive a letter of offer in relation to the Buyback ("**Letter of Offer**") along with a tender offer form indicating the entitlement of the Eligible Shareholder for participating in the Buyback. Even if the Eligible Shareholder does not receive the Letter of Offer along with a tender form, the Eligible Shareholder may participate and tender shares in the Buyback.
- As required under the Buyback Regulations, the dispatch of the Letter of Offer shall be through electronic mode only, within two (2) working days from the Record Date and, if any Eligible Shareholder requires a physical copy of the Letter of Offer, a request has to be sent to the Company or the Registrar to the Buyback and the same shall be provided.
- The Equity Shares proposed to be bought back by the Company shall be divided into two categories: (i) reserved category for Small Shareholders (defined below); and (ii) general category for all other Eligible Shareholders.
- As defined in Regulation 2(i)(n) of the Buyback Regulations, a "Small Shareholder" is a shareholder who holds Equity Shares whose market value, on the basis of the closing price on the Indian Stock Exchanges having the highest trading volume as on the "Record Date" is not more than Rs. 2,00,000 (Rupees Two Lakh only).
- In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to Buyback or the 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 part of this Buyback.
- 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 Shareholder will be based on the total number of Equity Shares tendered. Accordingly, in the event of the overall response to the Buyback being in excess of the Buyback Offer Size, the Company may not purchase all of the Equity Shares tendered by the Eligible Shareholders, over and above their entitlement, in the Buyback.
- In accordance with Regulation 9(x) of the Buyback Regulations, 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 will club together the equity shares held by such 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. In case of physical shareholdings, if applicable, where the sequence of PANs 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 sequence of the PANs and the names of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, 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 as per the shareholder records received from the Depositories.
- After accepting the Equity Shares tendered on the basis of 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 Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in the other category.
- The participation of Eligible Shareholders in the Buyback is voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate in part or in full and receive cash in lieu of the Equity Shares accepted under the Buyback, or they may opt not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buyback, without any additional investment. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participating in the shortfall created due to non-participation of some other Eligible Shareholders, if any. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- The maximum number of Equity Shares that can be tendered under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. If the Buyback entitlement for any 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 Buyback entitlement to tender Equity Shares in the Buyback. The settlement of the tenders under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy-Back and Delisting" notified by SEBI Circulars.
- Participation in the Buyback by Eligible Shareholders may trigger capital gains taxation in India and in their country of residence. 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, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buyback.
- Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant timetable will be included in the Letter of Offer to be sent to Eligible Shareholders.

**12. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUYBACK**

- The Buyback is open to all Eligible Shareholders and beneficial owners of the Company holding Equity Shares either in physical and/or in dematerialized form as on the Record Date.
- The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" as specified by the SEBI Circulars ("Stock Exchange Mechanism") and following the procedure described in the Companies Act and the Buyback Regulations and as may be determined by the Board (including the committee of the Board authorized to complete the formalities of the Buyback) on such terms and conditions as may be permitted by law from time to time.
- For implementation of the Buyback, the Company has appointed Monarch Network Capital Limited as the registered broker to the Company ("**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:

**Monarch Network Capital Limited**

Address: 4th Floor, 'B' Wing, Laxmi Towers,  
G Block, Bandra Kurla Complex, Bandra (East),  
Mumbai - 400 051

Tel: +91-22-66476400 /

Email: pauras.shah@mncgroup.com

Website: www.mncgroup.com

SEBI Registration Number: INZ00008037

- BSE will be the designated stock exchange for the purpose of this Buyback. The Company will request BSE to provide the separate window ("**Acquisition Window**") to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the Acquisition Window will be as specified by BSE from time to time.
- 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 brokers ("**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 after Eligible Shareholders have completed their KYC requirement as required by the Company's Broker.
- In the event the Seller Member(s) of any Eligible Shareholder is not registered with BSE as a trading member/stockbroker, then that Eligible Shareholder can approach any BSE-registered stock broker and can register themselves by using quick unique client code ("**UCC**") facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach the Company's Broker i.e., Monarch Network Capital Limited, to place their bids, subject to completion of KYC requirements as required by the Company's Broker.
- Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will only 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. Eligible Shareholders are requested to consult their respective Stock Brokers regarding the same. The cumulative quantity of Equity Shares tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- Further, the Company will not accept Equity Shares tendered for Buyback which are under a restraint order of the court / any other competent authority for transfer/ sale and / or 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. In accordance with Regulation 24(v) of the Buyback Regulations, the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall also not accept the Equity Shares offered for Buyback where the title to such Equity Shares is under dispute or otherwise not clear.

**12.9 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 dematerialized form under the Buyback would have to do so through their respective Seller Member by indicating to the concerned Seller Member, the details of Equity Shares they intend to tender under the Buyback.
- 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 Indian Stock Exchanges. For further details, Eligible Shareholders may refer to the circulars issued by the BSE and Indian Clearing Corporation Limited ("**Clearing Corporation**").
- The details of 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 BSE and 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 Eligible Shareholder's demat account is held in one depository and clearing member pool and Clearing Corporation account is held with other depository, the Equity Shares tendered under the Buyback shall be blocked in the Eligible Shareholder's demat account at source depository during the tendering period. Inter Depository Tender Offer ("**IDT**") instructions shall be initiated by the Eligible Shareholder at source depository to clearing member / Clearing Corporation account at target depository. Source depository shall block the Eligible 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 Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- For orders placed with respect to dematerialized Equity Shares by clearing member entities who have been allocated a custodian participant code by the Clearing Corporation ("**Custodian Participant**"), early pay-in is mandatory prior to confirmation of order by the Custodian Participant. 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, any order modification 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 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 order submitted such as bid ID number, application number, Depository Participant ID, client ID, number of Equity Shares tendered, etc. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation 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 Corporation 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 to receive credit in case of return of Equity Shares due to rejection or due to pro rated Buyback decided by the Company. 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. In the event if any equity shares are tendered to clearing corporation, excess dematerialized equity shares or unaccepted dematerialized equity shares, if any, tendered by the eligible shareholders would be returned to them by clearing corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the shareholder broker's (seller's) depository pool account for onward transfer to the eligible shareholder. In case of custodian participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be returned to the respective custodian depository pool account.
- Eligible shareholders who have tendered their demat shares in the buyback shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not be limited to): (i) duly attested power of attorney, if any person other than the eligible shareholder has signed the tender form; (ii) duly attested death certificate and succession certificate/legal heirship certificate, in case any eligible shareholder is deceased, or court approved scheme of merger/ amalgamation for a company; and (iii) in case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).

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

- In accordance with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/3762/2026 dated January 30, 2026, Eligible Shareholders holding Equity Shares in physical form can participate in the Buyback. However, such tendering shall be as per the provisions of the Buyback Regulations. The procedure is as follows:
- Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents include (a) the tender form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares); (b) original share certificate(s); (c) valid share transfer form(s), i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company; (d) self-attested copy of PAN card(s) of all Eligible Shareholders; (e) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder has deceased, as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, voter identity card or passport.
  - Based on the aforesaid documents, the concerned Seller Member shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback using the Acquisition Window of the BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted such as folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.
  - Any Seller Member / Eligible Shareholder who places a bid for physical Equity Shares, is required TRS either by ordinary post or courier or hand delivery to the Registrar to the Buyback i.e. MUFG Intime India Private Limited (formerly Link Intime India Private Limited) at the address mentioned at Paragraph 14 below or the collection centre of the Registrar details of which will be included in the Letter of Offer, on or before the Buyback closing date. The envelope should be super-scribed as "**Sarla Performance Fibers Limited - Buyback**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member / Eligible Shareholder.
  - The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Indian Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.
  - In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.
  - An unregistered shareholder holding physical shares may also tender his Equity Shares in the Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.
  - 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, 2025 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/ provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
  - The reporting requirements for non-resident shareholders under RBI, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and for the Eligible Shareholder's broker through which the Eligible Shareholder places the bid.
  - Modification/ cancellation of orders will only be allowed during the tendering period of the Buyback. The cumulative quantity of Equity Shares tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

**13. METHOD OF SETTLEMENT**

Upon finalization of the basis of acceptance as per Buyback Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trades in

the secondary market and as per the SEBI Circulars.

- The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to the respective Eligible Shareholders. If the Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by the RBI or the relevant bank, due to any reason, then such funds will be transferred to the concerned Seller Member's settlement bank account for onward transfer to such Eligible Shareholders.
- Details in respect of shareholders' entitlement for the tender offer process will be provided to the Clearing Corporation by the Registrar on behalf of the Company. On receipt of the same, the Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the Eligible Shareholder. On settlement, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- In case the demat account of the Eligible Shareholder is held with one depository and the Clearing Member pool / Clearing Corporation account is held with another depository, the Clearing Corporation that holds the Clearing member pool and Clearing Corporation account of the Eligible Shareholder will cancel the excess or unaccepted shares in the depository that holds the demat account. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted blocked shares in the demat account of the Eligible Shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from Eligible Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- In relation to the Equity Shares in physical form: If Equity Shares in physical form tendered by Eligible Shareholders are unaccepted, the share certificate would be returned to such Eligible Shareholders by ordinary post or courier at the Eligible Shareholders' sole risk. The Company also encourages Eligible Shareholders holding physical shares to dematerialize their physical shares.
- In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Indian Stock Exchanges and the Clearing Corporation from time to time.
- Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, the Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted blocked shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities shares from the shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- The Equity Shares bought back in dematerialized form would be transferred directly to the demat account of the Company opened for the Buyback ("**Company Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member(s) for details of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Manager to the Buyback and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- The Seller Member(s) would issue a contract note and pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted Equity Shares to their respective clients / will unblock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- The Equity Shares accepted, bought and lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

**14. COMPLIANCE OFFICER**

14.1 The Company has designated the following as the Compliance Officer for the Buyback:

**Name:** Mr. Mustafa Yusuf Manasawala**Designation:** Company Secretary & Compliance Officer**Address:** 304, Arcadia, Nariman Point, Mumbai - 400021, Maharashtra, India.**Tel. No.:** +91-22-22834116**Email:** investors@sarlafibers.com

14.2 In case of any clarifications or to address investor grievance, the shareholders may

contact the Compliance Officer, from Monday TO Friday between 10:00 am (IST) to

5:00 pm (IST) on all working days except public holidays, at the abovementioned

address.

**15. INVESTOR SERVICE CENTRE AND REGISTRAR TO THE BUYBACK**

15.1 The Company has appointed the following as Registrar to the Buyback: