

SECURITIES AND EXCHANGE BOARD OF INDIA

STANDARD LETTER OF OFFER FOR BUY BACK OF SECURITIES IN TERMS OF THE SEBI (BUY BACK OF SECURITIES) REGULATIONS, 1998

General Instructions / Guidelines:

1. The purpose of this standard letter of offer for Buy Back of equity in accordance with Chapter III of the SEBI (Buy Back of Securities) Regulations, 1998 (hereinafter referred to as "the Regulations") is to provide the requisite information about the company so as to enable the shareholders to make an informed decision of either remaining the shareholders of the company or to exit from the company.
2. Care shall be taken by the Merchant Banker to ensure that the Letter of Offer may not be technical in legal or financial jargons and it shall be presented in simple, clear, concise and easily understandable language.
3. This standard Letter of Offer enumerates the minimum disclosure requirements to be contained in the Letter of Offer for the Buy Back of equity. The Merchant Banker/ the company is free to add any other disclosure(s) which in his / its opinion is material for the shareholders.
4. The merchant banker shall ensure that the disclosures made in the letter of offer are not presented in an incomplete, inaccurate or misleading manner and are made in accordance with the Regulations.
5. The standard Letter of Offer prescribes only the nature of the disclosures that should be contained under various heads in the Letter of Offer and is not intended to describe the language to be contained therein.
6. All the financial data shall be in terms of Rupees Lacs unless required otherwise (e.g. EPS). When financial data pertains to an overseas entity, the rupee equivalent shall be disclosed in terms of Rs. Lacs and the basis of conversion shall also be disclosed. (If so desired, such data may also be disclosed in terms of the monetary unit applicable for that overseas entity).
7. Unless otherwise specified
 - 7.1. Information contained in Letter of Offer shall be as on the date of the Public Announcement (PA).
 - 7.2. The "Regulations" shall mean SEBI (Buy Back of Securities) Regulations, 1998 and subsequent amendments thereof.

8. The source from which data / information is obtained should be mentioned in the relevant pages of Letter of Offer.
9. Merchant Banker shall ensure the following;
 - 9.1. The Specified Date shall not be earlier than 30th day from the PA date.
 - 9.2. The Specified Date shall not be later than 42nd day from the PA date.
 - 9.3. The offer for buy back shall remain open to the members for a period of not less than 15 days and not exceeding 30 days.
 - 9.4. The letter of offer shall be sent to the shareholders so as to reach shareholders before the opening of the offer
 - 9.5. The date of the opening of the offer shall not be earlier than 7 days or later than 30 days after the specified date.
10. Merchant Banker shall submit the Due Diligence Certificate in terms of Regulation 20(f) of the Regulations to Board along with the draft Letter of Offer as per the standardized format.
11. The merchant banker to give registration number of the Chartered Accountant who has given the report in terms of clause (xi) of Schedule I and clause 24 of Schedule III of the Regulations.

Format of the Standard Letter Of Offer:

The sequence of presentation in Letter Of Offer shall be as under:

- 1) Cover page
- 2) Table of Contents
- 3) Schedule of activities
- 4) Definition of key terms
- 5) Disclaimer clause
- 6) Text of the Resolution passed at the Board meeting
- 7) Details of Public Announcement
- 8) Details of the Buy Back
- 9) Authority for the Buy Back
- 10) Necessity of the Buy Back
- 11) Management Discussion and analysis of the likely impact of Buy Back on the Company.
- 12) Basis of calculating Buy Back Price
- 13) Sources of fund for the Buy Back
- 14) Details of the Escrow Account and the amount to be deposited therein
- 15) Capital Structure & Shareholding pattern
- 16) Brief information of the Company.
- 17) Financial Information about the Company
- 18) Stock Market Data
- 19) Details of the Statutory approvals
- 20) Details of the Registrar to the Buy Back and collection centres
- 21) Process and methodology for the Buy Back
 - o Procedure to be followed by the shareholders holding shares in the physical form.
 - o Procedure to be followed by the shareholders holding shares in the demat form
 - o For non resident shareholders
- 22) Procedure for tender/ offer and settlement
- 23) Note on Taxation
- 24) Declaration by the Board of Directors
- 25) Auditors Certificate
- 26) Documents for inspection
- 27) Details of the Compliance Officer
- 28) Details of the Remedies available to the Shareholders/ Beneficial Owners
- 29) Details of Investor Service Centres
- 30) Details of the Manager to the Buy Back
- 31) Declaration by the Directors regarding authenticity of the information in the offer document
- 32) Offer Form

1) COVER PAGE

Cover pages shall be white with no patterns or pictures printed on it except emblems/ logo, if any, of the Company / Merchant Banker / Registrar, if any.

A) Front outer cover page shall contain the following details:

i) On Top

"This Document is important and requires your immediate attention."

This Letter of offer is sent to you as equity shareholder(s) of the (name of the Company) in accordance with SEBI (Buy Back of Securities) Regulations, 1998, as amended. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager/ Registrar to the Buy Back (the latter only if appointed). In case you have recently sold your shares in the Company, please hand over this Letter Of Offer and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected. "

ii) In middle in a box

Name and registered office address of the Company, Correspondence address of the Company, Name and Designation of Contact Person, Telephone Number of company and the contact person Fax Number of company and the contact person E-mail Address of company and the contact person, Number of shares offered for Buyback, Face value of shares, Shares offered for buy back as percentage of Total No. of shares issued, Subscribed and paid up, Maximum price offered per share, Total amount to be used for buy back as %age of networth, Methodology adopted for the Buy Back, Specified date, Offer price per share in terms of rupees, Disclose the mode of payment, A statement that the offer is pursuant to SEBI (Buy Back of Securities) Regulations, 1998 and subsequent amendments thereof. A statement that a copy of public announcement and Letter Of Offer (including form of acceptance cum acknowledgment) is also available on SEBI's web-site (www.sebi.gov.in), Information regarding the enclosures along with the Letter of offer, Relevant applicable provisions/ regulations of Companies Act and SEBI.

iii) At the bottom

Closing date and day of Buy Back, Opening date and day of Buy Back, The following details of the Manager to the offer

- o Name of the Manager to the offer
- o Name of Contact Person
- o Address
- o Telephone Number of manager and contact person
- o Fax Number of manager and contact person

- o E-mail Address of manager and contact person
- o SEBI Registration Number
- o Validity Period

The following details of the Registrar to the offer

- o Name of the Registrar
- o Name of Contact Person
- o Address
- o Telephone Number of registrar and contact person
- o Fax Number of registrar and contact person
- o E-mail Address of registrar and contact person
- o SEBI Registration Number
- o Validity Period

Last date of receipt of complete application form.

Relevant applicable provisions/ regulations of Companies Act and SEBI.

B) Front inside cover page shall contain the following

Table of Contents as follows:

Sr.No.	Subject	Page No.
1)	Schedule of activities	
2)	Definition of key terms	
3)	Disclaimer clause	
4)	Text of the Resolution passed at the Board meeting	
5)	Details of Public Announcement	
6)	Details of the Buy Back	
7)	Authority for the Buy Back	
8)	Necessity of the Buy Back	
9)	Management Discussion and analysis of the likely impact of Buy Back on the Company.	
10)	Basis of calculating Buy Back Price	
11)	Sources of fund for the Buy Back	
12)	Details of the Escrow Account and the amount to be deposited therein	
13)	Capital Structure & Shareholding pattern	
14)	Brief information of the Company.	
15)	Financial Information about the Company	
16)	Stock Market Data	
17)	Details of the Statutory approvals	
18)	Details of the Registrar to the Buy Back and collection centres	
19)	Process and methodology for the Buy Back	
20)	Procedure for tender/ offer and settlement	

- 21) Note on Taxation
- 22) Declaration by the Board of Directors
- 23) Auditors Certificate
- 24) Documents for inspection
- 25) Details of the Compliance Officer
- 26) Details of the Remedies available to the Shareholders/ Beneficial Owners
- 27) Details of Investor Service Centres
- 28) Details of the Manager to the Buy Back
- 29) Declaration by the Directors regarding authenticity of the information in the offer document
- 30) Offer Form

1) Schedule of activities

- o Date of Board meeting approving Buy Back
- o Date of Public Announcement for Buy Back
- o Specified Date
- o Date of Public announcement of Buy Back
- o Buy Back Opening date
- o Buy Back Closing date
- o Last date of Verification
- o Last date of intimation regarding acceptance/ non- acceptance
- o Last date of dispatch of consideration/ share certificate/ demat instructions
- o Last date of extinguishment of shares

2) Definition of key terms

Definitions of the specialized terms used in the Letter Of Offer for easy understanding by the shareholders.

3) Disclaimer clause

As required, a copy of this letter of Offer has been submitted to Securities and Exchange Board of India (SEBI). It is to be distinctly understood that submission of letter of offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI, does not take any responsibility either for the financial soundness of the company to meet the buy back commitments or for the correctness of the statements made or opinions expressed in the offer document. The Manager to the Issue, M/s. _____ has certified that the disclosures made in the offer document are generally adequate and are in conformity with the provisions of Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations, 1998. This requirement is to facilitate investors to take an informed decision for tendering their shares in the buy back.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document,

the Manager to the Issue is expected to exercise Due Diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Issue, _____ has furnished to SEBI a Due Diligence Certificate dated _____ in accordance with SEBI (Buyback of Securities) Regulations 1998 which reads as follows :

We have examined various documents and materials contained in the annexure to this letter, as part of the due-diligence carried out by us in connection with the finalization of the public announcement and the letter of offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- ? The public announcement and the letter of offer are in conformity with the documents, materials and papers relevant to the buyback offer;
- ? all the legal requirements connected with the said offer including SEBI (Buyback of Securities) Regulations, 1998, have been duly complied with.
- ? the disclosures in the public announcement and the letter of offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the company to make a well informed decision in respect of the captioned buyback offer.
- ? Funds used for buy back shall be as per the provisions of the Companies Act.

The filing of offer document with SEBI, does not, however, absolve the company from any liabilities under the Provisions of the Companies Act, 1956 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed buy back.

Promoters / Directors declare and confirm that no information / material likely to have a bearing on the decision of investors has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement / misrepresentation and in the event of it transpiring at any point of time that any information / material has been suppressed / withheld and / or amounts to a mis-statement / mis-representation, the promoters / directors and the company shall be liable for penalty in terms of the provisions of the companies Act, 1956 and the SEBI (Buy Back of Securities) Regulations, 1998.

Promoters / Directors also declare and confirm that funds borrowed from Banks and Financial Institutions will not be used for the buy-back.

4) Text of the Resolution passed at the Board meeting

Give the detailed text of the resolution passed at the meeting of the Board approving Buy Back.

5) Details of Public Announcement

The information regarding the Publication of Public Announcement in the Newspaper, the language in which it appeared and the date of publication.

6) Details of the Buy Back

- o Mention the name of the company
- o Maximum number of shares proposed to be bought back
- o Number of shares to be bought back as %age of existing paid up capital of the company
- o The price at which the shares are to be bought back
- o The Regulation of SEBI/ provisions of the Companies Act in accordance with which the offer is made
- o The methodology to be adopted for the buy back
- o The maximum amount to be expensed towards buy back and its %age w.r.t the networth of the Company
- o The details of the shareholding of the promoters and its %age w.r.t the total paid up equity of the company
- o Intention of the promoters to participate in the offer
- o Promoters shareholding after the buy back.
- o Statement that the Post buyback non-promoter holding shall not fall below the minimum level required as per listing conditions/ agreement.

7) Authority for the Buy Back

- o Mention the article number of the Article of Association of the Company allowing the buy back
- o Relevant provisions of the Companies Act
- o Date of meeting of the Board of Directors approving the Buy Back
- o Date of passing of special resolution by the shareholders.

8) Necessity of the Buy Back

The reasons and the need compelling the company to purchase the shares back and reduce its equity

9) Management Discussion and analysis of the likely impact of Buy Back on the Company.

- o Impact of the Buy Back on the profitability of the Company.
- o Intention of the Promoters to offer shares held by them under the Buy-back.
- o The holding of the Promoters before and after the Buy-back.
- o The holding of public as %age of the total paid up equity share capital before and after the Buy Back.
- o Change in control in the management structure pursuant to the Buy-back.

- o The change in percentage holding of the non resident shareholders, Indian financial institutions, banks and other shareholders.
- o Post Buy-back debt equity ratio. Assuming full subscription of the Offer, should not be less than 2:1 as prescribed under section 77 A of the Companies Act, 1956.
- o Effect of Buy Back on the growth opportunities of the Company.
- o Salient Financial parameter consequent to the Buy Back based on the Latest audited results as under:

Parameter (based on audited results for year ended)	Pre Buy-back	Post Buy-back
Networth* (Rs. Lakhs)		
Return on Networth*		
Earnings per Share (Rs.)		
Book Value per Share (Rs.)*		
P/E as per the latest audited financial results		
Total Debt / Equity Ratio*		

*Excluding revaluation reserves and miscellaneous expenditure to the extent not written off

10) Basis of calculating Buy Back Price

The basis on which the buy back Price has been arrived at must be disclosed. Justification of the offer price taking into account the following may be disclosed;

- o Trends in the market price of the equity shares of the Company.
- o The closing market price of the equity shares as on the date of intimation of the date of the Board Meeting for considering the Buy-back to the Stock Exchanges
- o Book Value
- o EPS
- o Return on net worth etc.

11) Sources of fund for the Buy Back

- o The source from where the Company proposes to finance the buy back may be disclosed.
- o Declaration that the Company proposes to meet the funds requirement for the Buy-back through internal accruals.

12) Details of the Escrow Account and the amount to be deposited therein

- o Disclosure that the Company has opened/ will open an escrow account in terms of Regulation 10 of the Regulations.

- o In case, the escrow account, if already opened, consists of cash deposit, disclose the name and address of the bank, where cash amount as required under Regulation 10 has been deposited. Also ensure and disclose that the Merchant Banker has been empowered to operate the escrow account in accordance with the Regulations.
- o In case the escrow account, if already opened, consists of a Bank guarantee, disclose the name and address of the bank. Also disclose that bank guarantee is valid at least for a period commencing from the date of PA until 30 days after the closure of the offer. Also ensure that bank guarantee is sought from a bank who is not associate of or group of the Company.
- o In case, the escrow account , if already opened, consists of a deposit of securities in terms of Regulation 10 (6), give details like name, quantity, face value, paid up value, market price on the date of creation of escrow account, the margin etc.
- o Disclose that Merchant Banker has been empowered by Company to realise the value of such escrow account, if already opened, by sale or otherwise. Also disclose that if there is any deficit on realisation of value of the securities, the Merchant Banker shall make good any such deficit in accordance with Regulation 10(6).
- o In case the escrow account , if already opened,consists of a Bank guarantee or deposit of approved securities, disclose the name and address of bank where cash deposit of at least 1% of the total consideration payable, is made in accordance with Regulation 10 (8).
- o Ensure and disclose that the Company has adequate and firm financial resources to fulfil the obligations under the Buy Back.
- o Disclose the date of certificate, name, complete address (including telephone, Fax number) and membership number of the Chartered Accountant certifying the adequacy of financial resources of Company for fulfilling all the obligations under the offer.
- o Ensure and disclose that Merchant Banker has satisfied himself about the ability of the Company to implement the offer in accordance with the Regulations.

13) Capital Structure & Shareholding pattern

- o The present authorized capital of the Company.
- o The present issued, subscribed and paid-up equity share capital of the Company.
- o Details of the buyback programme in the last three years, opening and closing date.
- o Details of partly paid shares.
- o Details of calls in arrears.
- o Details of all other outstanding convertible securities. Price to be paid for the convertible securities.
- o The shareholding pattern of the Company before and after the Buy-back Offer (assuming full subscription of the Buy-back Offer) shall be given as below:

Particulars	Pre-Buy-back		Post Buy-back	
	No. of Equity Shares	% to the existing equity share capital	No. of Equity Shares	% to post Buy-back equity share Capital
Promoters and persons acting in concert, (collectively "the Promoters")				
Foreign Investors (including Non Resident Indians FIIs and Foreign Mutual Funds)				
Financial Institutions / Banks & Mutual Funds promoted by Banks / Institutions				
Others (Public, Public Bodies Corporate etc.)				
Total				

- o Assuming 100% response to the Buy-back Offer, the issued, subscribed and paid-up equity share capital of the Company after the completion of the Buy-back Offer.
- o Details of the Promoters holding (post Buy-back).

14) Brief information about the Company.

- o Date of incorporation of the Company
- o Original name, if name changed.
- o Registered office address of the company.
- o Product of the company and details of its infrastructural set up.
- o Growth of the business of the company over the period of time.
- o Details of the capital structure of the company and the changes over the period of time.
- o Details of listing of the shares of the company on various stock exchanges.
- o Details of the Board of Directors as under;

Name, Qualification, Occupation and Age	Designation	Date of Appointment / Reappointment	Other Directorships

- o Details of the Changes in the Board of Directors in the last 3 years as under;

Name	Appointment / Resignation	Effective Date	Reasons

- o Any expected benefit to directors/promoters/people in control of the company/group companies should be brought out clearly.

15) Financial Information about the Company

- o The salient financial information of the Company as extracted from the audited results for the last three years shall be given as below:

(in Rs. Lakhs unless stated otherwise)

Particulars	Year ended ... (audited)
Total Income	
Total Expenses	
Interest	
Depreciation	
Profit before tax	
Provision for tax (including Deferred Tax)	
Profit /(Loss) after tax	
Equity share capital	
Reserves & Surplus*	
Networth*	
Total debt(Excluding working capital loans)	

*Excluding revaluation reserves and miscellaneous expenditure to the extent not written off

- o Financial Ratios for the last three years shall be given as under;

Particulars	Year
Earnings Per Share (Rs.)	
Debt Equity Ratio	
Book Value (Rs. per share)	
Return on Networth (%)	
Total Debt / Networth	

- o Declaration that the Company will comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997, if applicable

- o Declaration that the Company has complied with Section 77A (2) (c), (d), 77B (1) and 77B (2) of the Companies Act, 1956.
- o Declaration that the Company will comply with Clause 23 of the Regulations as and when applicable.

16) Stock Market Data

- o Information regarding the stock exchanges where the Shares of the Company are listed
- o Information regarding High, low and average market prices for the last three years and monthly high, low and average market prices for six months preceding the Public announcement and their corresponding volumes on the stock exchange where the Company's shares are most frequently traded shall be given as under:

Period	High (Rs.)	Date of High and Number of Shares traded on that date	Low (Rs.)	Date of Low and Number of shares traded on that date	Average Price (Rs.)	Total volume traded in period

- o The Source of the information given above shall be provided.
- o Information regarding the Closing market price of the shares of the Company on the stock exchange on the working day previous to the day the Board of Directors of the Company approved the proposal for the Buy-Back shall be given.

17) Details of the Statutory approvals

State that the Offer is subject to approvals, if any required, under the provisions of the Act, the Regulations and / or such other Acts in force for the time being. Buy-back of shares from non resident shareholders will be subject to approval, if any, of the appropriate authorities including Reserve Bank of India, as applicable.

18) Details of the collection centres

- o Place
- o Address
- o Contact Person
- o Telephone/ Mobile Number
- o E-mail address of contact person
- o Fax No.
- o Days & Timing of acceptance
- o Mode of Delivery

- o Instruction, regarding submission, for shareholders residing at places other than collection centres mentioned above

19) Process and methodology for the Buy Back

- o Maximum number of shares to be bought back
- o Shares to be bought back as %age of the existing paid-up capital of the Company
- o Maximum price offered per share
- o Mode of payment of consideration
- o Relevant clause of Companies Act
- o Route to be followed for the Buy-back
- o The total amount to be expended towards Buy-back
- o Amount to be spent as %age of the paid-up share capital and free reserves of the Company.
- o Holding of the promoters as %age of the paid-up equity share capital of the Company.
- o Intention of the Promoters to tender their shares in the proposed Buy-back Offer.
- o Holding of the promoters in number and as %age of the paid-up equity share capital of the Company assuming 100% response to the Offer and if all the shares tendered in response to the Offer are accepted in full.

20) PROCEDURE FOR TENDER / OFFER AND SETTLEMENT

- o That the Offer is open to all shareholders of the Company.
- o That the Letter of Offer and Tender / Offer Form will be mailed to all the shareholders of the Company whose names appear on the Register of Members of the Company and who are beneficial owner/s of shares as per the records made available to the Company by depositories as on Specified Date.
- o That the Company will not accept any shares for Buy-back, in case of court restraints on transfer / sale of shares.
- o That the Company will consider all the shares tendered for Buy-back by shareholders, for acceptance under the Buy-back Offer, irrespective of whether the shareholder is registered with the Company as on the Specified Date or has obtained delivery after the Specified Date or he holds the shares in street name. In case the tenderer is an unregistered shareholder, he should submit the transfer deed complete in all respects, along with the share certificate.
- o That in case the number of shares offered by the shareholders is more than the total number of shares to be bought back by the Company, the acceptances per shareholder will be on proportionate basis, in accordance with the Regulations i.e. acceptances per shareholder will be equal to the acceptances tendered by the shareholders divided by the total acceptances received and multiplied by the total number of shares to be bought back.
- o That the Company shall comply with Regulation 19(5) of the regulations.
- o That no single offeror can tender shares more than the shares proposed to be bought back and any Tender / Offer Form wherein the number of shares offered

by a shareholder exceeds the total number of shares to be bought back will be rejected.

- o That the shareholder should tender only one form, irrespective of the number of folios he holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tenders from the same depository account or same registered folio shall also be liable to be rejected.

For shareholders holding shares in physical form

- o That the Shareholders to whom the Offer is made are free to tender / offer their shareholding to the Company in whole or in part.
- o That the Shareholders of the Company who wish to tender / offer their shares in response to this Buy-back Offer should deliver the following documents:
 - a The relevant Tender / Offer Form duly signed (by all shareholders in case the shares are in joint names) in the same order in which they hold the shares.
 - b Original share certificates.
- o That the Unregistered shareholders who wish to tender / offer their shares in response to the Buy-back Offer should send the application in plain paper signed by all shareholders, stating folio number, name, address, number of shares held, share certificate number, distinctive numbers, number of shares tendered for Buy-back, bank account details together with the original share certificates & duly executed transfer deed and other relevant documents.
- o That the Shareholders should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - a Duly attested Power of Attorney if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - b Duly attested death certificate and succession certificate/ legal heirship certificate in case any shareholder has expired.
 - c Necessary corporate authorisations, such as Board Resolutions, etc., in case of companies.
- o That the documents should be submitted to the Collection Centres so as to reach before the close of business hours of the respective Collection Centres on the closing date.
- o That the unregistered shareholders and shareholders residing at locations where there are no Collection Centers are requested to tender their response to the Registrar to the Offer.
- o Information regarding the mode of payment to the shareholders whose offer has been accepted by the Company.
- o Date of dispatch of intimation regarding acceptance or non-acceptance of the shares and the corresponding payment for the accepted shares and / or share certificates for the rejected shares.
- o The payment shall be made by default to the sole/ first shareholder in the bank account, the details of which are recorded with the company/ depository, where such facility is available. The cheques for shareholders residing at places where the facility of transfer of payment is not available should be made payable at par at all

- the centres where the Company is accepting applications and in the designated Collection Centres as in the case of public issues.
- o That it is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender / Offer Form.
 - o That the non receipt of this Letter of Offer by, or accidental omission to despatch the Letter of Offer to any person who is eligible to receive this Offer, shall not invalidate the Offer in any way.
 - o That in case of non-receipt of this Letter of Offer, shareholders may send their application in plain paper signed by all shareholders, stating folio number, name, address, number of shares held, share certificate number, distinctive numbers, number of shares tendered for Buy-back, bank account details together with the original share certificates and other relevant documents (as mentioned earlier) to the Registrar to the Buy-back Offer.
 - o That all documents / remittances sent by or to shareholders will be at their own risk. Shareholders of the Company are advised to adequately safeguard their interests in this regard.

✍ For shareholders holding shares in dematerialised form

- o That the Shareholders to whom this Offer is made are free to tender / offer their shareholding to the Company in whole or in part.
- o Details of the account opened with Depository participant (DP) as below:

DP ID	
DP Name	
Beneficiary Client ID	
Client Account Name	

- o That the Shareholders of the Company who wish to tender / offer their shares in response to this Buy-back Offer should deliver the following documents:
 - a The relevant Tender / Offer Form duly signed (by all shareholders in case the shares are in joint names) in the same order in which they hold the shares.
 - b Copy of the delivery instruction issued by shareholders to their DP for transferring the shares tendered for Buy-back to the Company's DP account. Copy of the delivery instruction should be duly endorsed by the DP of shareholder, to whom the original Delivery Instruction should be handed over.
- o That in the delivery instruction use the "For Off-Market Trades (Receiver Details)" in the relevant box and fill in the name of the DP, ID of DP & Client ID at the relevant places. The date of execution entered in the delivery instruction should be after the date of opening of the Offer and on or before the last date of submission of the Tender / Offer Form to the Collection Centres or on or before the date of mailing of the Tender / Offer Form to the Registrar to the Offer, as the case may be, but not in any case later than the date of Closure of the Offer.

- o That the Shareholders should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - a Duly attested Power of Attorney, if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - b Duly attested death certificate and succession certificate/ legal heir ship certificate in case any shareholder has expired.
 - c Necessary corporate authorizations, such as Board Resolutions, etc., in case of companies.
- o That the documents should be submitted to the Collection Centres so as to reach before the close of business hours of the respective Collection Centres on or before the closing date. Shareholders residing at locations where there are no collection centres are requested to tender their response to the Registrar to the Offer. The shareholders should ensure the receipt of the credit in the escrow depository account on or before the last date of the offer
- o Statements regarding Consideration
 - a It is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender / Offer Form.
 - b Mode of payment of Consideration
 - c Date of dispatch of consideration. The payment shall be made by default to the sole/ first shareholder in the bank account, the details of which are recorded with the company/ depository, where such facility is available. The cheques for shareholders residing at places where the facility of transfer of payment is not available should be made payable at par at all the centres where the Company is accepting applications and in the designated Collection Centres as in the case of public issues.
 - d In case all the shares tendered for Buy-back are accepted by the Company then the delivery instruction given by shareholders to their DPs will be acted upon and the consideration will be paid directly to the concerned shareholder as specified above.
 - e Date by which the balance shares not accepted by way of off-market transfer are to be transfer back to the concerned DP of shareholder under intimation to the first named beneficial owner by Registered Post.
 - f Mode of settlement of Consideration in respect of shares accepted.
- o That the non receipt of this Letter of Offer by, or accidental omission to despatch the Letter of Offer to any person who is eligible to receive this Offer, shall not invalidate the Offer in any way. In case of non-receipt of the Letter of Offer, shareholders may send their application in plain paper in writing signed by all shareholders, stating name, address, number of shares held, Client Id number, DP name, DP Id number, bank account details, number of shares tendered for Buy-back together with a copy of the delivery instruction issued to the DP (duly endorsed by the DP) and other relevant documents (as mentioned earlier) to the Registrar to the Offer.
- o That all documents / remittances sent by or to shareholders will be at their own risk. Shareholders of the Company are advised to safeguard adequately their interests in this regard.

For Non resident shareholders

- o Statement that the Non resident shareholders (excluding FIIs) should also enclose a copy of the permission received by them from RBI to acquire the shares held by them in the Company. In case the shares are held on repatriation basis, the non resident shareholder should obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring the said shares, payment for the same was made by the non resident shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the non resident holder is not in a position to produce the said certificate, the shares would be deemed to have been acquired on non-repatriation basis and in that case the holder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid shares accepted under the Offer. If any of the above stated documents (as applicable) are not enclosed along with the Tender/ Offer Form, the shares tendered under the Buy-back Offer are liable to be rejected.

21) Note on Taxation

In respect of Shareholder, non resident shareholders and the Company

The extract of all applicable sections of Income Tax Act 1961 as amended by Finance Act 1999, relating to treatment in case of buyback of shares shall be given

22) Declaration by the Board of Directors

Declaration as required under Clause 23 of Schedule III to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as under:

- i The Board of Directors confirm that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
- ii The Board of Directors confirm that based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Companies Act, 1956, the Board of Directors have formed an opinion that
 - a Immediately following the date of the Letter of Offer, there are no grounds on which the Company could be found unable to pay its debts.
 - b As regards its prospects for the year immediately following the date of the Letter of Offer that, having regard to their intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will be available to the Company during the said year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date.

This declaration is made and issued under the authority of the Board in terms of the resolution passed at the meeting held on

For and on behalf of the Board of Directors of Company

DIRECTOR

DIRECTOR

23) Auditors Certificate

Text of the Report datedreceived from, Chartered Accountants the Statutory Auditors of the Company addressed to the Board of Directors as given below:

The Board of Directors
The company

Dear Sirs,

Proposed Buy-back of Equity Shares

We have been informed that the Board of Directors in their meeting held on..... have decided to Buy-back Company's shares as allowed under Section 77A of the Companies Act, 1956 at a price of Rs..... per share. In terms of the requirements of Clause 24, Schedule III of the Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998, we confirm as under:

- i) We have inquired into the state of affairs of the Company in relation to its audited accounts for the year ended, unaudited published results for the nine months endedand projections for the year as approved by the Board of Directors.
- ii) The amount of permissible capital payment towards buy-back of equity shares (including premium) in question as ascertained below in our view has been properly determined in accordance with Section 77 A (2) (b) of the Companies Act, 1956:

Rs. in lacs

Paid up Share Capital as on

Free reserves as on

Total

Maximum amount permitted for Buy-back

i.e. 10% of the total paid up capital and free reserves

Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters

mentioned in the declaration as approved by the Board of Directors in their meeting held on is unreasonable in all the circumstances in the present context.

Yours faithfully
Chartered Accountants
Registration Number:

Place:
Date:

24) Documents for inspection

The following material documents may be kept for inspection by Public. Disclose the addresses of the places and timings for inspection.

- o Certificate of incorporation
- o Memorandum and Articles of Association of the Company.
- o Annual Reports for the years last three years.
- o Resolution approving proposal for Buy-back passed at the meeting of the Board.
- o Auditors' Certificate as prescribed in Schedule I (xi).
- o Auditors' Certificate as prescribed under Schedule III (24).
- o Copy of the Public Announcement
- o Declaration of Solvency and an affidavit verifying the same as per Form 4A of the Companies (Central Government's) General Rules and Forms, 1956.

25) Details of the Compliance Officer

- o Name
- o Designation
- o Name of the company
- o Address
- o Telephone number
- o Fax No.
- o E-mail address
- o Days & time when he can be contacted

26) Details of the Remedies available to the Shareholders/ Beneficial Owners

- o Statement that in case of any grievance relating to the buy back (e.g.: non-receipt of buy back consideration, share certificate, demat credit, etc.) the investor can approach the Compliance Officer of the Manager for redressal.
- o That if the Company makes any default in complying with the provisions of Section 77 A of the Act or any rules made thereunder, or any regulation made under clause (f) of sub-section (2) of Section 77A, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit or with a fine and its limit or both.
- o The address of the concerned office of the Registrar of Companies

27) Details of Investor Service Centres

- o Name
- o Address
- o Telephone
- o Fax:
- o E-mail:
- o Days & time when it can be contacted

28) Declaration by the Directors regarding authenticity of the information in the offer document

Declaration that as per Regulation 19(1)(a) of the Regulations, the Directors of the Company accept full responsibility for the information contained in the Letter of Offer. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on

**For and on behalf of the Board of
Directors of Company**

DIRECTOR

DIRECTOR

29) Offer Form

TENDER / OFFER FORM

(FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)

DATE:-----

To
The Board of Directors
Name of the company
Address
Phone No.:
Fax No. :
Dear Sirs,

For Collection Centre use			
Centre Code	Inward No.	Date	Stamp

Ref: Letter of Offer dated to buy back shares of (Name of the Company)

- 1 I / We (having read and understood the Letter of Offer dated) hereby tender / offer my/our shares in response to the Buy-back Offer on the terms and conditions set out below and in the Letter of Offer.
- 2 I / We authorise the Company to buy back the shares offered and as a consequence to extinguish the share certificates.
- 3 I / We hereby warrant that the shares comprised in this tender / offer are offered for Buy-back by me / us free from all liens, equitable interest, charges and encumbrance.
- 4 I / We declare that there are no restraints / injunctions or other order of any nature which limits / restricts in any manner my / our right to tender shares for Buy-back and that I / we am / are legally entitled to tender the shares for Buy-back.
- 5 I / We agree that the Company is not obliged to accept any shares offered for Buy-back where loss of share certificates has been notified to the Company.
- 6 I / We agree that the Company will pay the Offer Price only after due verification of the validity of the documents and signatures and that the consideration may be paid to the first named shareholder.
- 7 I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me/us.
- 8 I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-back in accordance with the Act and the Regulations.
- 9 I/ We authorize the company to split the share certificate and issue new consolidated certificate for the unaccepted shares in case the shares accepted by the company are less than the shares tendered in the buy back due to oversubscription.

10 Details of shares held and offered for Buy-back:

	In Figures	In Words
Number of Shares held		
Number of shares offered for Buy-Back		

11 Details of Share Certificate(s) enclosed:
submitted

Total No. of Certificates

Sl. N o.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
1					
2					
3					
4					
5					
Total					

In case the number of folios and share certificates enclosed exceed 5 nos., please attach a separate sheet giving details in the same format as above.

12 Details of Other Documents (please tick appropriately), if any, enclosed:

- ☐ Corporate Authorisations
- ☐ Death Certificate
- ☐ Succession Certificate
- ☐ Power of Attorney
- ☐ Any Other, please specify _____

13 Details of Bank Account of the Sole / First Shareholder to be incorporated in the consideration warrant (to be mandatorily filled)

Name of the Bank	Branch and City	Account Number (Indicate type of account)

14 Shareholder(s) details (*Signature(s) as per specimen recorded with the Company*):

	Sole / First Shareholder	Second holder (if any)	Third holder (if any)
Name in Full			
Signature			
Address of the Sole / First Shareholder			
Telephone No. / E Mail			

(Name of the company) – BUY-BACK OFFER-ACKNOWLEDGEMENT
 (to be filled by the shareholder)

Received _____ from
 Mr/Ms _____

Folio No.		
Number of shares tendered	In figures	In words
Number of share certificates submitted		
Collection		

Centre Stamp & date	
------------------------	--

Please quote folio no. for future correspondence

INSTRUCTIONS

- 1 This Offer will open on and close on
- 2 This Tender / Offer Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender / Offer Form.
- 3 Shareholders who wish to tender / offer their shares in response to this Buy-back Offer should deliver the following documents so as to reach before the close of business hours of the respective Collection Centres (as mentioned in the Letter of Offer) on or beforeby Shareholders residing at locations where there are no collection centres should send their response to the Registrar to the Buy-back Offer (Name of the RTI).
 - ? The relevant Tender / Offer Form duly signed (by all shareholders in case shares are in joint names) in the same order in which they hold the shares.
 - ? Original share certificates
- 4 Shareholders should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - ? Duly attested Power of Attorney if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - ? Duly attested death certificate / succession certificate in case any shareholder has expired.
 - ? Necessary corporate authorisations, such as Board Resolutions, etc., in case of companies.
- 5 Shareholders to whom this Offer is made are free to tender /offer their shareholding to the Company in whole or in part.
- 6 In case of non-receipt of this Letter of Offer, shareholders may send their application in plain paper in writing signed by all shareholders, stating folio number, name, address, number of shares held, share certificate number, distinctive numbers, number of shares tendered for Buy-back, bank account details together with the original share certificates and other relevant documents to the Registrar to the Buy-back Offer.
- 7 It is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender / Offer Form.
- 8 All documents / remittances sent by or to shareholders will be at their own risk. Shareholders of the Company are advised to safeguard adequately their interests in this regard.
- 9 **Note: Any shareholder should tender only one form, irrespective of the number of folios he holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tenders from the same depository account or same registered folio shall also be liable to be rejected**

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUY-BACK OFFER (Name of the RTI) QUOTING YOUR FOLIO NUMBER.

TENDER / OFFER FORM

(FOR SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)

To
The Board of Directors
Name of the company
Phone No.: Fax No. :

For Collection Centre use			
Centre Code	Inward No.	Date	Stamp

Dear Sirs

Date -----

Ref: Letter of Offer dated to buy back shares of (Name of the Company)

- 1 I / We (having read and understood the Letter of Offer dated hereby tender / offer my/our shares in response to the Buy-back Offer on the terms and conditions set out below and in the Letter of Offer.
- 2 I / We authorise the Company to buy back the shares offered (as mentioned below) and to issue instruction to (Name of RTI) to extinguish the shares through an off market transfer.
- 3 I / We hereby warrant that the shares comprised in this tender / offer are offered for Buy-back by me / us free from all liens, equitable interest, charges and encumbrance.
- 4 I / We declare that there are no restraints / injunctions or other order of any nature which limits / restricts in any manner my / our right to tender shares for Buy-back and that I / we am / are legally entitled to tender the shares for Buy-back.
- 5 I / we agree that the Company will pay the Offer Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder.
- 6 I/ We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me/us.
- 7 I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-back in accordance with the Act and the Regulations.

- 8 Details of shares held and offered for Buy-back:

	In Figures	In Words
Number of Shares held		
Number of shares offered for Buy-Back		

9 Details of account with Depository Participant

Name of the Depository (tick whichever is applicable)	☐ NSDL ☐ CDSL
Name of the Depository Participant	
DP ID	
Client ID with the DP	

10 I / We hereby declare that we have instructed the above-mentioned DP, with whom, I / we hold an account to transfer the number of shares as mentioned under serial number 8 above to (Name of the company) Shares Buy-back Account (Client Id No. -----) held with (Name of the DP) (DP ID. No. _____). **A copy of delivery instruction issued to the DP, duly endorsed by the DP is enclosed.**

11 Details of Other Documents (please tick appropriately), if any, enclosed:

- ☐ Corporate Authorisations
- ☐ Death Certificate
- ☐ Succession Certificate
- ☐ Power of Attorney
- ☐ Any Other, please specify _____

12 Details of Bank Account of the Sole / First Shareholder to be incorporated in the consideration warrant. (to be mandatorily filled)

Name of the Bank	Branch and City	Account Number (Indicate type of Account)

13 Shareholder(s) details:

	Sole / First Shareholder	Second holder (if any)	Third holder (if any)
Name in Full			
Signature			
Address of the Sole / First Shareholder			
Telephone No. / E mail id			

(Name of the Company) BUY-BACK OFFER-ACKNOWLEDGEMENT

(to be filled by the shareholder)

Received _____ from _____

Mr/Ms _____

DP Id. No.		
Client Id. No.		
No of shares offered for Buy-back	In Figures	In words
Collection Centre Stamp & date		

Please quote Client Id. no. & DP Id. no. for future correspondence

INSTRUCTIONS

- 1 This Offer will open on and close on
- 2 This Tender / Offer Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer.
- 3 For the purpose of Buy-back, the Company has opened an account with a Depository Participant (DP) as detailed below:

DP Id. Number	
DP Name	
Client Id. Number	
Client Account Name	

- 4 Shareholders of the Company who wish to tender / offer their shares in response to this Buy-back Offer should deliver the following documents so as to reach before the close of business hours at the respective Collection Centers (as mentioned in the Letter of Offer) on or before by Shareholders residing at locations where there are no collection centres should send their response to the Registrar to the Offer, (Name of the RTI).
 - ? The relevant Tender / Offer Form duly signed (by all shareholders in case the shares are in joint names) in the same order in which they hold the shares.
 - ? Copy of delivery instruction issued by shareholders to their DP for transferring the shares tendered for Buy-back, to the Company's DP account with (Name of the DP). **Copy of the delivery instruction should be duly endorsed by the DP of shareholder,** to whom the original delivery instruction should be handed over.
- 5 In the delivery instruction please use the "For Off-Market Trades (Receiver Details)" box. Fill in "(Name of DP)" against DP Name, "ID of DP" against the DP ID and "ID of Client" against Client ID. The date of execution entered in the delivery instruction should be after the date of opening of the offer and on or before the last date of submission of the Tender / Offer Form to the Collection Centres or on or before the

- date of mailing of the Tender / Offer Form to the Registrar to the Offer, as the case may be, but not in any case later than the date of Closure of the Offer.
- 6 In case of non-receipt of this Letter of Offer, shareholders may send their application in plain paper in writing signed by all shareholders, stating, name, address, number of shares held, client Id number, DP name, DP Id number, number of shares tendered for Buy-back, bank account details together with a copy of the delivery instruction issued to the DP (duly endorsed by the DP) and other relevant documents to the Registrar to the Buy-back Offer (Name of the RTI).
 - 7 Shareholders should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - ? Duly attested Power of Attorney, if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - ? Duly attested death certificate / succession certificate in case any shareholder has expired.
 - ? Necessary corporate authorizations, such as Board Resolutions, etc., in case of companies.
 - 8 Shareholders to whom this Offer is made are free to tender / offer their shareholding to the Company in whole or in part.
 - 9 It is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender / Offer Form.
 - 10 All documents / remittances sent by or to shareholders will be at their own risk. Shareholders of the Company are advised to safeguard adequately their interests in this regard.
 - 11 Note: Any shareholder should tender only one form, irrespective of the number of folios he holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tenders from the same depository account or same registered folio shall also be liable to be rejected**

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUY-BACK OFFER, (Name of the RTI) QUOTING YOUR CLIENT ID & DP ID.