James Warren Tea Limited

CORPORATE IDENTITY NUMBER (CIN) - L15491AS2009PLC009345

Registered Office: Dhoedaam Tea Estate, P.O. Borahapjan, Dist. Tinsukia, Assam 786150. **Corporate Office:** Aspirations Vintage, 12 Pretoria Street, Kolkata - 700 071 **Tel:** 91-33-40341000, **Fax:** 91-33-40341015. **E-mail:** investors@jameswarrentea.com, **Website:** www.jameswarrentea.com
Company Secretary and Compliance Officer: Mr. Gyanendra Singh

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF JAMES WARREN TEA LIMITED FOR THE BUYBACK OF EQUITY SHARES TENDER OFFER PURSUANT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement ("**PA**") is being made pursuant to the provisions of Regulation 7(i) and Schedule II read with Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force and includes any statutory modifications and amendments from time to time (the "**Buyback Regulations**").

CASH OFFER FOR BUYBACK OF UPTO 23,25,000 (TWENTY THREE LAKHS TWENTY FIVE THOUSAND) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. 115/- (RUPEES ONE HUNDRED AND FIFTEEN ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE.

1. DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1 The Board of Directors ("**Board**") of James Warren Tea Limited (the "**Company**"), which expression includes any committee constituted / to be constituted by the Board to exercise its powers, including the powers conferred by the resolution at its meeting held on Friday, March 22, 2019 ("**Board Meeting**") wherein the Board has, subject to the approval of the members of the Company by way of Special Resolution through Postal Ballot and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, passed a resolution for Buyback upto 23,25,000 fully paid up equity shares of face value of Rs. 10/- each ("**Equity Shares**") on a proportionate basis, through the Tender Offer in accordance with the provisions of the Companies Act, 2013 as amended ("**Companies Act**"), the Companies (Share Capital and Debentures) Rules, 2014 ("**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 ("**Management and Administration Rules**") to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**") the Buyback Regulations read with Securities and Exchange Board of India circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended by way of SEBI circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 (the "**SEBI Circulars**") at a price of Rs. 115/- (Rupees One Hundred Fifteen Only) per equity share (the "**Buyback Offer Price**") payable in cash, for an aggregate amount of Rs. 26,73,75,000/- (Rupees Twenty Six Crores Seventy Three Lakhs Seventy Five Thousand Only) ("**Buyback Offer Size**") (excluding Company's expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), advisors/legal fees, PA, publication expenses, printing and dispatch expenses and other incidental and related expenses, transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty etc.) ("**Transaction Costs**") being 22.68% and 22.69% of the fully paid-up equity share capital and free reserves as per the latest Interim Audited Standalone and Consolidated Financial Statement of the Company for the nine months period ended December 31, 2018 respectively (which is within the limit of 25% of the fully paid-up equity share capital and free reserves as per the latest Interim Standalone as well as Consolidated Audited Financials of the Company) from all the shareholders/beneficial owners of equity shares as on the Record Date (i.e. 17.05.2019) ("**Eligible Shareholders**") as prescribed under the Buyback Regulations.

1.2 The shareholders of the Company approved the Buyback by way of a special resolution, through postal ballot (including e-voting) pursuant to postal ballot notice dated March 22, 2019 (the "**Postal Ballot Notice**"), the results of which were announced on May 04, 2019.

1.3 The Buyback is in accordance with Article 71 of the Articles of Association of the Company, the provisions of Sections 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules and Management and Administration Rules framed thereunder and the provisions of the Buyback Regulations. The Buyback is subject to approvals, permissions and sanctions as may be necessary from regulatory authorities as required under applicable laws, including but not limited to SEBI, BSE Limited ("**BSE**") and the Calcutta Stock Exchange Limited ("**CSE**") i.e., the stock exchanges where the equity shares of the Company are listed and from any other statutory and /or regulatory authority, as may be required. The Buyback shall be facilitated by tendering of equity shares by eligible shareholders and settlement of the same through the stock exchange mechanism in accordance with the SEBI Circulars. In this regard, the Company will request BSE to provide the Acquisition Window. For the purpose of this Buyback, BSE would be the Designated Stock Exchange.

1.4 The Buyback Size of Rs. 26,73,75,000/- (Rupees Twenty Six Crores Seventy Three Lakhs Seventy Five Thousand Only) represents 22.68% and 22.69% of the fully paid-up equity share capital and free reserves as per the Interim Standalone and Consolidated Audited Financials of the Company for the nine months period ended December 31, 2018 respectively which is within the limit of 25% of the fully paid-up equity share capital and free reserves as per the latest Standalone as well as Consolidated Audited Financials of the Company). Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid up equity share capital of the Company in that financial year. Since the Company proposes to Buyback up to 23,25,000 (Twenty Three Lakhs Twenty Five Thousand) equity shares representing 24.99% of the total number of shares in the paid-up equity share capital of the Company as at December 31, 2018, the same is within the aforesaid 25% limit.

1.5 The equity shares of the Company are proposed to be bought back at a price of Rs. 115/- (Rupees One Hundred Fifteen only) per equity share ("**Buyback Offer Price**"). The Buyback Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the equity shares on the BSE where the Equity Shares are traded, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per equity share.

1.6 The Buyback shall be on a proportionate basis from all the Shareholders of the Company through the Tender Offer route as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Please refer to Paragraph 11 below for details regarding Record Date and shareholder's entitlement for tender in the Buyback.

1.7 The participation in the Buyback by Eligible Shareholders may trigger capital gains taxation in India and/or in their country of residence. The transaction of Buyback would be chargeable to securities transaction tax in India. In due course, the Eligible Shareholders will receive a letter of offer, which will contain a 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, accounting and tax advisors prior to participating in the Buyback.

1.8 A Copy of the Public Announcement is available on the Company's website (www.jameswarrentea.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) and on the website of BSE (www.bseindia.com).

2. NECESSITY FOR THE BUYBACK

2.1 Share buyback is the acquisition by a company of its own shares. The Board is of the view that the proposed Buyback will help the Company achieve the following objectives (a) optimize returns to shareholders; (b) enhance overall shareholders value and (c) optimizes the capital structure. **The above objectives will be achieved by returning part of surplus cash back to shareholders through the Buyback** process. This will lead to reduction in outstanding equity shares, improvement in earnings per equity share and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Board at its meeting held on March 22, 2019, considered the accumulated free reserves as well as the cash liquidity reflected in the last Interim audited financial statement as on December 31, 2018 and considering these, the Board decided to allocate a sum of Rs.26,73,75,000/- (Rupees Twenty Six Crores Seventy Three Lakhs Seventy Five Thousand Only) excluding the transaction costs for distributing to the shareholders holding equity shares of the Company through the Buyback.

2.2 After considering several factors and benefits to the shareholders holding equity shares of the Company, the Board decided to recommend Buyback at a price of Rs. 115/- (Rupees One Hundred Fifteen only) per equity share for an aggregate consideration of Rs.26,73,75,000/- (Rupees Twenty Six Crores Seventy Three Lakhs Seventy Five Thousand Only). Buyback is being undertaken, inter-alia, for the following reasons:

The Buyback will help the Company to return surplus cash to its shareholders holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;

ii. The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of number of 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 shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the Buyback Regulations;

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

iv. The Buyback gives an option to the Shareholders holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment.

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

Pursuant to Section 68(2)(c) of the Companies Act, 2013 and Regulation 4(i) of Buyback Regulations, a Company can Buyback 25% or less of the aggregate paid up equity share capital and free reserves as per the last audited financials. The proposed Buyback of Rs.26,73,75,000/- (Rupees Twenty Six Crores Seventy Three Lakhs Seventy Five Thousand Only) represents 22.68% and 22.69% of the fully paid-up equity share capital and free reserves as per the Interim Standalone and Consolidated Audited Financials of the Company for the nine months period ended December 31, 2018 respectively (which is within the limit of 25% of the fully paid-up equity share capital and free reserves as per the latest available Standalone as well as Consolidated Audited Financials of the Company). The Buyback would be financed out of the reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent Balance Sheet. The Company confirms that as required under Section 68(2)(d) of the Companies Act and Regulation 4(ii) of the Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company, if any, shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

4. BUYBACK PRICE AND THE BASIS OF ARRIVING AT THE BUYBACK PRICE

The equity shares of the Company are proposed to be bought back at a price of Rs. 115/- (Rupees One Hundred Fifteen only) per equity share ("**Buyback Offer Price**"). The Buyback Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the equity shares on the BSE where the Equity Shares are traded, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

The Buyback Offer Price represents:

i. Premium of 1.30% of the volume weighted average market price of the equity shares on BSE during the three months preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback.

ii. Premium of 12.22% of the volume weighted average market price of the equity shares on BSE for two weeks preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback.

iii. Premium of 13.41% over the closing price of the equity shares on the BSE as on one day prior the date of intimation of Buyback. There was no trading in the equity shares of the Company on the date of intimation of Buyback i.e., March 14, 2019 and the closing market price of the equity shares on BSE as on one day prior the date of intimation of Buyback was Rs. 101.40.

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

The Company proposes to Buyback up to 23,25,000 fully paid up equity shares of face value of Rs. 10/- (Rupees Ten only) each, representing 24.99% of the number of equity shares in the total paid-up equity capital of the Company.

6. METHOD TO BE ADOPTED FOR BUYBACK

The Buyback shall be on a proportionate basis from all the shareholders holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations and in accordance with the Articles of Association and pursuant to the provisions of Companies Act,2013 and the Share Capital Rules to the extent applicable, and on such terms and conditions as may be deemed fit by the Company.

7. DETAILS OF PROMOTERS SHAREHOLDING AND INTENTION TO PARTICIPATE IN THE BUYBACK

7.1 The aggregate shareholding of the Promoters and Promoter Group of the Company and the persons who are in control of the Company, as on the date of the notice of the postal ballot i.e., March 22, 2019 is given below:

Sl. No.	Name	Equity shares held	% of the total equity share capital
1.	Akhil Kumar Ruia	24,800	0.27%
2.	Ankit Govind Ruia	24,800	0.27%
3.	Maulshree Ruia	100	0.00%
4.	Rajat Agarwalla	100	0.00%
5.	Darshana Saraf	100	0.00%
6.	Vartika Agarwalla	100	0.00%
7.	Ashdene Investments Limited	18,36,544	19.74%
8.	ISIS Enterprises Limited	16,29,303	17.52%
9.	Maygrove Investments Limited	9,71,655	10.45%
10.	Enez Investments Limited	8,50,212	9.14%
11.	Woodcutter Limited	8,15,371	8.77%
12.	Maru International Limited (Formerly 'Maru Limited')	8,10,075	8.71%
	Total	**69,63,170**	**74.87%**

7.2 The aggregate shareholding of the directors of the Promoter Group Companies mentioned in point 7.1 above as on the date of notice of postal ballot i.e. March 22, 2019 is given below:

Sl. No.	Name and detail of Company in which directorship is held	No. of Equity shares held	% of the total equity share capital
1	Mr. Ankit Govind Ruia, Director of Ashdene Investments Limited, Maygrove Investments Limited, Maru International Limited (Formerly "Maru Limited"), Woodcutter Limited, ISIS Enterprises Limited, Enez Investments Limited	24,800	0.27%

7.3 The aggregate shareholding of Directors and Key Managerial Personnel of the Company as on date of notice of postal ballot i.e., March 22, 2019:

DIN/PAN	Name	Designation	No. of Equity Shares	% of Shareholding
03600526	Akhil Kumar Ruia	Whole Time Director	24800	0.27%
00473105	Abhiram Kastur Sheth	Independent Director	34	0.00%
ALAPS1955K	Vikram Saraogi	Chief Financial Officer	1	0.00%
TOTAL			**24835**	**0.27%**

7.4 No equity shares or other specified securities in the Company were either purchased or sold by the Promoters and Promoter Group of the Company and the persons who are in control of the Company, directors of the promoter group companies, where such promoter or member of promoter group is a Company and the directors and key managerial personnel of the Company during a period of six months preceding the date of Board Meeting at which the Buyback was approved and from that date till the date of this Public Announcement.

Intention of the Promoters and Persons in Control of the Company to tender Equity shares in the Buyback

7.5 In terms of the Buyback Regulations, under the Tender Offer route, the promoter and members of promoter group of the Company have an option to participate in the Buyback. In this regard, certain members of the Promoters and Promoter Group as listed in paragraph 7.1 above have expressed their intention, vide their letters, each dated March 22, 2019 to participate in the Buyback and they intent to sell up to a maximum number of equity shares as detailed below or such lower number of equity shares as permitted under applicable law.

Sl. No.	Name of the Promoter and Promoter Group	Maximum number of Equity Shares intended to be offered
1	Akhil Kumar Ruia	24800
2	Ankit Govind Ruia	24800
3	Maulshree Ruia	100
4	Rajat Agarwalla	100
5	Darshana Saraf	100
6	Vartika Agarwalla	100
8	Ashdene Investments Limited	Nil
8	ISIS Enterprises Limited	Nil
9	Maygrove Investments Limited	9,71,655
10	Enez Investments Limited	8,50,212
11	Woodcutter Limited	8,15,371
12	Maru International Limited (Formerly "Maru Limited")	8,10,075
	Total	**34,97,313**

The details of the date and price of acquisition of the equity shares that the promoters/members of the promoter group intend to tender in the Buyback are set forth below:

i. Akhil Kumar Ruia

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
28.06.2012	3000	30,000	Purchase of Shares
07.08.2012	2000	Not Applicable	Gift Transfer
19.11.2012	19800	1,99,000	Allotment
Total	**24800**	-	-

ii. Ankit Govind Ruia

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
28.06.2012	3000	30,000	Purchase of Shares
07.08.2012	2000	Not Applicable	Gift Transfer
19.11.2012	19800	1,98,000	Allotment
Total	**24800**	-	-

iii. Maulshree Ruia:

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
19.11.2012	100	1000	Allotment
Total	**100**	-	-

iv. Rajat Agarwalla:

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
19.11.2012	100	1000	Allotment
Total	**100**	-	-

v. Darshana Saraf:

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
19.11.2012	100	1000	Allotment
Total	**100**	-	-

vi. Vartika Agarwalla

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
19.11.2012	100	1000	Allotment
Total	**100**	-	-

vii. Maygrove Investments Limited

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
14.02.2014	630106	Not Applicable	Allotment made pursuant to the Scheme of Demerger, as approved by Guwahati High Court.
14.03.2017	630106	8,88,44,946	Pursuant to Scheme of Arrangement in open market
14.03.2018	(288547)	(3,72,22,563)	Tender of Shares for Buyback
Total	**971665**	-	-

viii. Enez Investments Limited

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
14.02.2014	551346	Not Applicable	Allotment made pursuant to the Scheme of Demerger, as approved by Guwahati High Court.
08.03.2017	551346	7,74,64,113	Pursuant to a Scheme of Arrangement in open market
14.03.2018	(252480)	(3,25,69,920)	Tender of Shares for Buyback
Total	**850212**	-	-

ix. Woodcutter Limited

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
14.02.2014	535945	Not Applicable	Allotment made pursuant to the Scheme of Demerger, as approved by Guwahati High Court.
14.03.2017	521560	7,35,39,960	Pursuant to a Scheme of Arrangement in open market
14.03.2018	(242134)	(3,12,35,286)	Tender of Shares for Buyback
Total	**815371**	-	-

x. Woodcutter Limited

Date of Acquisition/ (disposal)	Number of equity shares Acquired/(Sold)	Cost of Acquisition/ (Sale) (Rs.)	Remarks
14.02.2014	525318	Not Applicable	Allotment made pursuant to the Scheme of Demerger, as approved by Guwahati High Court.
08.03.2017	525318	7,38,07,179	Pursuant to a Scheme of Arrangement in open market
14.03.2018	(240561)	(3,10,32,369)	Tender of Shares for Buyback
Total	**810075**	-	-

Confirmations from the Company as per the provisions of the Buyback Regulations and the Companies Act

7.6 The Company shall not issue any equity shares or other securities (including by way of bonus, or convert any outstanding ESOPs/outstanding instruments into equity shares) from the date of resolution passed by the shareholders approving the proposed Buyback till the date of expiry of the Buyback period;

7.7 The Company shall not raise further capital for a period of one year from the closure of Buyback offer, except in discharge of its subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

7.8 The equity shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;

7.9 The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made;

7.10 The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares purchased through the Buyback to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent balance sheet;

7.11 The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable;

7.12 The Company shall not buyback its equity shares from any person through negotiated deal whether on or of the Stock Exchange or through spot transactions or through any private arrangement in the implementation of the Buyback;

7.13 The Company shall not directly or indirectly purchase its Equity Shares:

a) through any subsidiary company including its own subsidiary companies, if any or

b) through any investment company or group of investment companies;

7.14 The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;

7.15 There are no defaults subsisting in the repayment of deposits, 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; and

8. The Board of Directors have confirmed on the date of the Board Meeting (i.e. March 22, 2019) that they have made a full enquiry into the affairs and prospects of the Company and that they have formed the opinion:

(a) That immediately following the date of the Board Meeting held on March 22, 2019 and the date on which the results of the postal ballot will be declared, there will be no grounds, on which the Company can be found unable to pay its debts;

(b) That as regards the Company's prospects for the year immediately following the date of the Board Meeting as well as the year immediately following date on which the results of the postal ballot will be declared approving the Buyback and having regards to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of financial resources which will, in Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from date of the Board meeting approving the Buyback as well as within a period of one year from the date on which the results of the postal ballot will be declared as the case may be;

(c) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

9. Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the Report dated 22.03.2019 received from M/s. B. Chhawchharia & Co., Chartered Accountants, (FRN: 305123E), the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

QUOTE

To

The Board of Directors
James Warren Tea Limited
Aspirations Vintage, 12 Pretoria Street,
Kolkata - 700 071

Sub: Proposed Buyback Offer of Equity Shares of James Warren Tea Limited (the "Company")

Dear Sirs,

We the Statutory Auditors of the Company, are providing the certificate on the proposed Buyback of Equity Shares of the Company. The Certificate is required for the purpose of inclusion of the same a) in the explanatory statement to be annexed to the notice for general meeting for authorizing buyback by passing a special resolution and b) in the Public Announcement and Letter of Offer for buyback of its shares by the Company and for submission to the Securities and Exchange Board of India (SEBI) and other Regulatory Authorities.

1) We have been informed that the board of directors of the Company in their meeting held on 22nd March, 2019 have decided to Buyback 23,25,000 (Twenty Three Lakhs Twenty Five Thousand Only) equity shares under Section 68, 70(1) of the Companies Act, 2013, as amended from time to time (the 'Act') at a price of Rs. 115/- (Rupees One Hundred and Fifteen only) per share aggregating Rs.26,73,75,000/- (Rupees Twenty Six Crores Seventy Three Lakhs and Seventy Five thousand only). In terms of the requirements of Clause (xi) of Schedule I, of the Securities and Exchange Board of India (Buy-Back of Securities), Regulations, 2018 as amended from time to time, (hereinafter called the "Buyback Regulations") we confirm as under:

a) We have enquired into the state of affairs of the Company in relation to its audited accounts for the nine months ended December 31, 2018.

b) The amount of permissible capital payment towards Buyback of Equity Shares (including Premium) if any, as ascertained below in our view has been properly determined in accordance with Section 68 of the Companies Act, 2013.

Particulars	Standalone	Consolidated
	Amount (Rs. in Lakhs)	
Issued, Subscribed and Paid-up share capital as at December 31, 2018	930.08	930.08
Free reserves as at December 31, 2018		
- General Reserve	338.70	338.70
- Surplus in Statement of Profit & Loss	10,519.76	10,513.67
Total	11,788.54	11,782.45
Maximum amount permissible for buy-back i.e. 25% of the total paid-up capital and free reserves	**2,947.14**	**2,945.61**

(Note: All the above figures have been taken from the Audited Condensed Standalone and Consolidated Interim Financial Statement for the period ended 31st December, 2018.)

2) The opinion expressed by the directors of the Company in the Declaration as to any of the matters mentioned in the declaration as per Schedule I - Clause (x) of the rules is reasonable;

3) The Board of Directors of the Company is responsible for :

i. Properly determining the amount of capital payment for buyback;

ii. making a full enquiry into the affairs and prospects of the Company and forming the opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot for buyback will be declared.

4) Based on the representation 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 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 22nd March, 2019 is unreasonable in the circumstances in the present context.

5) Compliance with the provisions of the Act and Rules is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy based on our review procedures. This report is intended solely for your information and for the purpose of inclusion of the same a) in the explanatory statement to be annexed to the notice for general meeting for authorizing buyback by passing a special resolution and b) in the Public Announcement and Letter Of Offer for buyback of its share by the Company and is not to be used, referred or distributed for any other purpose without our written consent. Nothing contained in this report should be construed to be representations as to the future. We do not accept or assume any liability or duty of care for any other purpose, save where expressly agreed by our prior consent in writing.

For M/s. **B. Chhawchharia& Co.**
Chartered Accountants
Firm Registration No. 305123E
Sd/-
Sushil Kumar Chhawchharia
Membership No. 8482
Partner

Date: 22.03.2019
Place: Kolkata

UNQUOTE

10. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

10.1 As required under 9(i) of the Buyback Regulations, the Company has announced 17.05.2019 as the Record Date ("**Record Date**") for the purpose of determining the entitlement and the names of the shareholders who will be eligible to participate in the Buyback.

10.2 The Buyback Offer is open to all Shareholders holding equity shares either in physical form ("Physical Shares") and beneficial owners holding equity shares in dematerialized form ("Demat Shares"). However pursuant to the amendment in the Regulation 40(1) of the Listing Regulations, the eligible shareholders holding equity shares in physical form are prevented to get their shares dematerialized before tendering in the buyback.

10.3 The Buyback Offer will be implemented by the Company through the Stock Exchange Mechanism, as provided under the Buyback Regulations read with the SEBI Circulars and the procedure prescribed in the notice issued by BSE bearing reference number 20170202-34, dated February 2, 2017 and in accordance with the procedure prescribed in the Companies Act and Buyback Regulations and as may be determined by the Board of directors (including the committee of directors) and on such terms and conditions as may be permitted by law from time to time.

10.4 For the implementation of the Buyback Offer, the Company has appointed Bindal Equities Limited as the registered broker through whom the Company (the "Company's Broker") 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:

Name: **Bindal Equities Limited**
SEBI Registration No.: INZ000210031
CIN: U67190WB2005PLC106317
Address: 8, Brabourne Road, Vashno Chamber, 2nd Floor, Room No. 206B, Kolkata – 700 001.
Tel No. 033-3022 2316, Email Id: sureshsaraf@bindalgroup.in, Website: www.bindalgroup.in
Contact Person: Mr. Suresh Kumar Saraf

10.5 The Company shall request BSE to provide a separate Acquisition Window to facilitate placing of sale orders by Eligible Shareholders who wish to tender their equity shares in the Buyback. For the purpose of this Buyback, BSE would be the designated stock exchange. The details of the platform will be as specified by BSE from time to time. In the event stock brokers of Eligible Shareholder ("**Seller Member**") is not registered with BSE, then the Eligible Shareholders can approach any BSE registered stock broker and can register themselves by using the 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 stock broker they may approach Company's Broker to place the bid.

10.6 During the tendering period, the order for selling the equity shares will be placed by the Eligible Shareholders through the Seller Member during normal trading hours of the secondary market. In the tendering process, the Company's Broker shall pool in the orders received from the Eligible Shareholders.

10.7 The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999 and any other rules, regulations, guidelines, for remittance of funds, shall be complied by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

10.8 Procedure to be followed by Eligible Shareholders holding Equity shares in the dematerialized form:

a) Eligible Shareholders who desire to tender their equity shares in the electronic/dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of equity shares they intend to tender under the Buyback.

b) The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender equity shares in the Buyback using the Acquisition Window of the BSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity shares to the special account of Indian Clearing Corporation Limited (the "ICCL"), by using the early pay in mechanism prior to placing the bid by the Seller Member.

c) The details of the settlement number for the buyback will be provided in a separate circular which shall be issued at the time of issue opening by the BSE or the ICCL.

d) Upon placing the order, the Seller Member shall provide transaction registration slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, client ID, no. of equity shares tendered, etc.

e) In case of non-receipt of the completed tender form and other documents, but receipt of equity shares in the account of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.

10.9 Procedure to be followed by Eligible Shareholders holding Equity shares in the Physical form:

a. As per the proviso to regulation 40(1) of the Listing Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), securities transfer shall be carried out in the manner similar to settlement of trades in the secondary market, read with SEBI's press releases dated December 3, 2018, and March 27, 2019, effective from April 1, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository ("**LODR Amendment**").

a. In light of the LODR Amendment, any of the Eligible Shareholders who are desirous of tendering their equity shares held in physical form can do so only after the shares are dematerialized. Such Eligible Shareholders are advised to approach the concerned depository participant to have their equity shares dematerialized.

10.10 Modification/cancellation of orders will be allowed during the tendering period of the Buyback.

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

10.12 **METHOD OF SETTLEMENT**

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

a. The settlement of funds shall be carried out in the manner similar to settlement of trades in the secondary market.

b. The Company will pay the consideration to the Company's Broker who will transfer the consideration pertaining to the Buyback to the Clearing Corporation's Bank account as per the prescribed schedule. For equity shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholder's bank account details are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or relevant bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Members' for onward transfer to such Eligible Shareholder.

c. The equity shares bought back'would be transferred directly to the Demat account of the Company opened for the buyback provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the equity shares from the clearing and settlement mechanism of BSE.

d. Eligible Shareholder will have to ensure that they keep their depository participant ("DP") account active and unblocked to receive credit in case of return of equity shares, due to rejection or due to non-acceptance of equity shares under the Buyback. Any excess equity shares or unaccepted equity shares, in dematerialised form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the Eligible Shareholder.

e. In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.

f. The Seller Member would issue contract note for the equity shares accepted under the Buyback. The Company would also issue a contract note to the Company for the equity shares accepted under the Buyback.

g. Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Eligible Shareholders placing the order to sell the equity shares on behalf of the shareholders. The Manager to the Buyback and the Company accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

h. The equity shares bought back by the Company will be compulsorily cancelled and will not be held following the procedure prescribed in the Buyback Regulations.

11. RECORD DATE AND SHAREHOLDER'S ENTITLEMENT

11.1 As required under 9(i) of the Buyback Regulations, the Company has announced the 17.05.2019 as the record date (the "Record Date") for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback Offer.

11.2 The equity shares to be bought back as a part of this Buyback Offer is divided into two categories:

- Reserved category for Small Shareholders; and
- General category for all other shareholders.

11.3 As defined in the Buyback Regulations, a "Small Shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price of equity shares on the recognized stock exchange in which the highest trading volume in respect of such equity shares as on Record Date, of not more than Rs. 2,00,000/- (Rupees Two Lakhs Only).

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

11.5 On the basis of shareholdings as on the Record Date, the