

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*This Letter of Offer is being sent to you as a registered Equity Shareholder of **Filatex India Limited** as on the Record Date (as defined below) in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended. If you require any clarifications about the action to be taken, you may consult your Stock Broker (as defined below) or your Investment Consultant or the Manager to the Buyback Offer i.e., Corporate Professionals Capital Private Limited or the Registrar to the Buyback, i.e., MCS Share Transfer Agent Limited. Please refer to the “Definitions” section of this Letter of Offer for the definitions of capitalized terms used herein.*

	<p>FILATEX INDIA LIMITED CIN: L17119DN1990PLC000091 Registered Office: Survey No. 274, Demni Road, Dadra, Union Territory of Dadra and Nagar Haveli – 396191 Tel.: 0260-2668343, 2668510, Fax: 0260-2668343, 2668344 Corporate Office: Bhageria House 43, Community Centre, New Friends Colony, New Delhi – 110025 Phone: 011-26312503, 26848633/44, Fax: 011-26849915 Website: www.filatex.com; E-mail: secretarial@filatex.com Contact Person: Mr. Raman Kumar Jha, Company Secretary & Compliance Officer</p>
<p>OFFER FOR BUYBACK OF UPTO 42,50,000 (FORTY-TWO LAKH AND FIFTY THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 2/- (RUPEES TWO ONLY) EACH OF FILATEX INDIA LIMITED (“THE COMPANY”), REPRESENTING UPTO 1.89% OF THE TOTAL EXISTING PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EQUITY SHAREHOLDERS OF THE COMPANY AS ON THE RECORD DATE I.E., FRIDAY, APRIL 08, 2022, ON A PROPORTIONATE BASIS, THROUGH THE TENDER OFFER ROUTE (AS DEFINED BELOW), AT A PRICE OF ₹ 140/- (RUPEES ONE HUNDRED AND FORTY ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT OF UP TO ₹59,50,00,000 (RUPEES FIFTY-NINE CRORE AND FIFTY LAKH ONLY).</p>	
<ol style="list-style-type: none"> The Buyback (as defined below) is in accordance with Article 13 of the Articles of Association of the Company, Sections 68, 69, 70 and 179 and all other applicable provisions, if any, of the Companies Act, 2013, the SCD Rules (as defined below), to the extent applicable, and in compliance with the Buyback Regulations (as defined below) and subject to such other approvals, permissions and sanctions as may be necessary, and such other conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board (as defined below). The Buyback is within the statutory limits of 10% of the aggregate of the total paid-up equity share capital and free reserves of the Company as per the latest audited Financial Statements as at March 31, 2021 (the last audited balance sheet available as on the date of the Board Meeting (as defined below) recommending the proposal of the Buyback). The Buyback Size (as defined below) is 8.63% of the aggregate of the total paid-up Equity Share capital and Free Reserves of the Company, as per the latest audited Financial Statements, as at March 31, 2021. A copy of the Public Announcement (as defined below), the Draft Letter of Offer and this Letter of Offer (including the Tender Form) shall also be available on the website of Securities and Exchange Board of India at www.sebi.gov.in. The Letter of Offer will also be available on the websites of the Company, the Registrar to the Buyback, the Stock Exchanges and the Manager to the Buyback Offer at www.filatex.com, www.mcsregistrars.com, www.bseindia.com, www.nseindia.com and www.corporateprofessionals.com respectively. The Letter of Offer will be sent to the Equity Shareholder(s)/beneficial owner(s) of Equity Shares as on the Record Date i.e., Friday, April 08, 2022 (“Eligible Shareholders”). The procedure for tendering and settlement is set out in paragraph 20 on page 50 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the Tender Form) is enclosed together with this Letter of Offer. For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.28 on page 58 of this Letter of Offer. Eligible Shareholders are advised to refer to Details of the Statutory Approvals (paragraph 17 of page 43) and Note on Taxation (paragraph 21 of page 60) before tendering their Equity Shares in the Buyback. 	
MANAGER TO THE BUYBACK OFFER	REGISTRAR TO THE BUYBACK OFFER
 <p>Corporate Professionals Capital Private Limited D-28, South Extension Part-1, New Delhi-110049 Tel: 011-40622230/ 40622251/ 40622209; Contact person: Ms. Anjali Aggarwal, Email: mb@indiacp.com Website: www.corporateprofessionals.com Investor grievance e-mail: mb@indiacp.com SEBI Registration No.: INM000011435 Validity Period: Permanent Corporate Identity Number: U74899DL2000PTC104508</p>	 <p>MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase – I, New Delhi, Delhi – 110020 Tel: +011-41406148/49/52; Fax: +011-41709881 Contact Person: Mr. Amarjit Email: admin@mcsregistrars.com Website: www.mcsregistrars.com SEBI Registration No.: INR000004108 Validity Period: Permanent Corporate Identity Number: U67120WB2011PLC165872</p>
BUYBACK PROGRAMME	
BUYBACK OPENS ON	Monday, May 09, 2022
BUYBACK CLOSES ON	Monday, May 23, 2022
LAST DATE AND TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK	Monday, May 23, 2022

TABLE OF CONTENTS

1. SCHEDULE OF ACTIVITIES:	1
2. DEFINITION OF KEY TERMS:.....	1
3. DISCLAIMER CLAUSE	5
4. TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS	7
5. DETAILS OF THE PUBLIC ANNOUNCEMENT	12
6. DETAILS OF THE BUYBACK	13
7. AUTHORITY FOR THE BUYBACK	16
8. NECESSITY OF THE BUYBACK	16
9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUYBACK ON THE COMPANY	17
10. BASIS OF CALCULATING THE BUYBACK PRICE	30
11. SOURCES OF FUNDS FOR THE BUYBACK	30
12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN.....	30
13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN	31
14. BRIEF INFORMATION OF THE COMPANY	34
15. FINANCIAL INFORMATION ABOUT THE COMPANY	39
16. STOCK MARKET DATA	40
17. DETAILS OF THE STATUTORY APPROVALS	43
18. DETAILS OF THE REGISTRAR TO THE BUYBACK AND COLLECTION CENTRES.....	44
19. PROCESS AND METHODOLOGY FOR THE BUYBACK.....	44
20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT.....	50
21. NOTE ON TAXATION.....	60
22. DECLARATION BY THE BOARD OF DIRECTORS	63
23. AUDITORS CERTIFICATE.....	63
24. DOCUMENTS FOR INSPECTION	65
25. DETAILS OF THE COMPLIANCE OFFICER	66
26. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS.....	66
27. DETAILS OF INVESTOR SERVICE CENTRE	66
28. DETAILS OF THE MANAGER TO THE BUYBACK OFFER	67
29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THIS LETTER OF OFFER	67
30. OFFER FORM.....	67

1. SCHEDULE OF ACTIVITIES:

Activity	Date	Day
Date of the Board Meeting to approve the proposal for Buyback of Equity Shares.	March 29, 2022	Tuesday
Date of publication of Public Announcement for the Buyback.	March 31, 2022	Thursday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	April 08, 2022	Friday
Buyback Opening Date	May 09, 2022	Monday
Buyback Closing Date	May 23, 2022	Monday
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates (if and as applicable) by the Registrar to the Buyback Offer	May 23, 2022	Monday
Last date of verification by the Registrar to the Buyback Offer	May 25, 2022	Wednesday
Last date for providing Acceptance/non-Acceptance of tendered equity shares to the Stock Exchange by the Registrar to the Buyback Offer	May 27, 2022	Friday
Last date for settlement of bids on the Stock Exchange	June 01, 2022	Wednesday
Last date of dispatch of share certificate(s) by the Registrar/return of unaccepted demat Equity Shares by Stock Exchange to Seller Member/Eligible Shareholders.	June 01, 2022	Wednesday
Last date for payment of consideration to Eligible Shareholders who participated in the Buyback.	June 01, 2022	Wednesday
Last date for extinguishment of Equity Shares	June 08, 2022	Wednesday

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.

2. DEFINITION OF KEY TERMS:

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

Term	Description
Acceptance/Accept/ Accepted	Acceptance of fully paid-up Equity Shares tendered by Eligible Shareholders in the Buyback.
Act or Companies Act	The Companies Act, 2013, as amended including the rules and regulations made thereunder.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, as amended via circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and SEBI circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments thereof.

Term	Description
Additional Equity Shares or Additional Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder not exceeding the Equity Shares held by such Eligible Shareholder as on the Record Date.
Articles/ AOA	Articles of Association of the Company, as amended from time to time.
Board/Board of Directors	Board of Directors of the Company (which term shall include any committee constituted and authorized by the Board pursuant to its resolution dated March 29, 2022 to exercise its powers, in connection with the Buyback).
Board Meeting	Meeting of the Board of Directors held on Tuesday, March 29, 2022, approving this Buyback Offer.
BSE	BSE Limited
Buyback or Buyback Offer or Offer	Offer by the Company to buyback of upto 42,50,000 (Forty Two Lakh and Fifty Thousand) fully paid-up Equity Shares at the Buyback Price of ₹140/- (Rupees One Hundred And Forty Only) per equity share for an aggregate amount not exceeding ₹ 59,50,00,000 /- (Rupees Fifty Nine Crore And Fifty Lakh Only) from Eligible Shareholders, through the Tender Offer route through the stock exchange mechanism in terms of the Buyback Regulations read with the SEBI Circulars, on a proportionate basis.
Buyback Committee	The Buyback Committee, comprising of Shri Madhu Sudhan Bhageria, Chairman & Managing Director, Shri Purrshottam Bhaggeria, Joint Managing Director and Mrs. Pallavi Joshi Bakhru, Independent Director of the Company was constituted and authorized for the purposes of the Buyback by the resolution dated March 29, 2022 of the Board of Directors.
Buyback Closing Date	Monday, May 23, 2022, being the last date up to which the tendering of shares by Eligible Sellers will be allowed.
Buyback Entitlement or Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio of Buyback applicable to the category, to which such Eligible Shareholder belongs.
Buyback Opening Date	Monday, May 09, 2022, being the date from which the tendering of Equity Shares by Eligible Sellers will be allowed.
Buyback Period	The period between the date of approval of buy-back at the Meeting of Board of Directors i.e., Tuesday, March 29, 2022 till the date on which the payment of consideration to shareholders who have accepted the Buyback offer will be made.
Buyback Price or Offer Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e., ₹140/- (Rupees One Hundred and Forty Only) per fully paid-up Equity Share, payable in cash.
Buyback Regulations	The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any statutory modifications or re-enactments thereof.
Buyback Size	Number of Equity Shares proposed to be bought back i.e., upto 42,50,000 (Forty Two Lakh and Fifty Thousand) Equity Shares multiplied by the Buyback Price i.e., ₹140/- (Rupees One Hundred and Forty Only) per Equity Share, aggregating upto ₹ 59,50,00,000 (Rupees Fifty Nine Crore and Fifty Lakh Only).
Buyback Tax	Buyback Tax is defined under Clause 115QA of the Income Tax Act 1961, i.e., Tax on distributed income to shareholders. - (1) Notwithstanding

Term	Description
	anything contained in any other provision of this Act, in addition to the income-tax chargeable in respect of the total income of a domestic company for any assessment year, any amount of distributed income by the company on buy-back of shares from a shareholder shall be charged to tax and such company shall be liable to pay additional income-tax at the rate of twenty per cent on the distributed income.
CDSL	Central Depository Services (India) Limited.
Clearing Corporation	NSE Clearing Limited
Companies Act	The Companies Act, 2013, together with the Rules, as amended.
“Company” or “Our Company” or “us” or “we” or “our”	Filatex India Limited unless the context states otherwise.
Company Demat Account	Demat account of the Company designated for the Buyback.
Company’s Broker	SMC Global Securities Limited
Company Secretary & Compliance Officer	Mr. Raman Kumar Jha
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	The designated stock exchange for the Buyback, will be National Stock Exchange of India Limited
Director	Director(s) of the Company
DP	Depository Participant
Draft Letter of Offer	The Draft Letter of Offer dated April 07, 2022.
Eligible Shareholder(s) or Eligible Person or Equity Shareholder or Eligible Sellers	Person(s) eligible to participate in the Buyback Offer and would mean all Equity Shareholders/ beneficial owners of Equity Shares of the Company as on the Record Date being Friday, April 08, 2022.
Equity Shares	Fully paid-up equity shares of face value of ₹ 2/- (Rupees Two Only) each of the Company.
Equity Shareholder(s)	Holder(s) of the fully paid-up Equity Shares including beneficial owner(s) thereof.
Escrow Account	The Escrow Account titled “FIL BUYBACK 2022 - ESCROW ACCOUNT” opened with the IndusInd Bank Limited.
Escrow Agent	IndusInd Bank Limited
Escrow Agreement	The Escrow Agreement dated April 14, 2022 entered into between the Company, the Manager to the Buyback Offer and the Escrow Agent.
FEMA	Foreign Exchange Management Act, 1999 including the Regulations, circulars, directions and notifications issued thereunder
FII(s)/FPI(s)	Foreign Institutional Investors / Foreign Portfolio Investors
General Category	Eligible Sellers other than the Small Shareholders.
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IT Act/Income Tax Act	Income-tax Act, 1961, as amended
Letter of Offer	The Letter of Offer dated April 29, 2022 to be filed with SEBI containing disclosures in relation to the Buyback as specified in Schedule III & IV of the

Term	Description
	Buyback Regulations, including comments received from SEBI on the Letter of Offer.
LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
Management Rules	Companies (Management and Administration) Rules, 2014
Manager to the Buyback Offer/Manager	Corporate Professionals Capital Private Limited
Non-Resident Shareholders	Includes Shareholders of the Company who are NRIs, Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs), OCB and Foreign Nationals.
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
OCB	Erstwhile Overseas Corporate Bodies
PAN	Permanent Account Number
Promoter and Promoter Group	Promoter and promoter group as have been disclosed under the filings made by the Company under the LODR Regulations, and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Public Announcement	Public announcement dated March 29, 2022 regarding the Buyback published on Thursday, March 31, 2022 in Business Standard (All editions), an English national daily, Business Standard (All editions), a Hindi national daily, Divya Bhaskar (Vapi edition) (Gujarati Regional Language daily)
Physical Form	Tender Form for Eligible Shareholders holding physical shares.
RBI	Reserve Bank of India
Record Date	Friday, April 08, 2022, being the date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the proposed Buyback in accordance with the Buyback Regulations.
Registrar	MCS Share Transfer Agent Limited, Registrar to the Buyback Offer.
Rules	Rules notified under Companies Act, 2013, as amended.
SCD Rules	The Companies (Share Capital and Debenture) Rules, 2014.
SEBI	Securities and Exchange Board of India
SEBI Circulars	Unless otherwise mentioned, the SEBI Circular regarding “Mechanism for acquisition of shares through Stock Exchange pursuant to Buyback Offer” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force.
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than ₹ 2,00,000 (Rupees Two Lakhs only), on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on the Record Date.

Term	Description
Stock Broker(s)/ Seller Member/ Seller Broker/ Shareholder Broker	A stock broker (who is a member of the NSE and/or BSE) of an Eligible Shareholder, through whom such Eligible Shareholder can participate in the Buyback.
Stock Exchanges	BSE and NSE being the stock exchanges where the Equity Shares of the Company are listed.
Stock Exchange Mechanism	The “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular.
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Tender Form/ Form(s)	Form of Acceptance–cum–Acknowledgement, enclosed with this Letter of Offer on page 68.
Tender Offer	Method of buyback as defined in Regulation 4(iv)(a) of the Buyback Regulations.
Tendering Period	Period of 10 (Ten) Working Days from the Buyback Opening Date till the Buyback Closing Date (both days inclusive).
TRS	Transaction Registration Slip
Working Day	As per Regulation 2(s) of Buyback Regulations, the Working Day shall mean any working day of the Securities and Exchange Board of India.

3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this 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 Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback Offer, Corporate Professionals Capital Private Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, rules made thereunder and Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. Pursuant to this requirement, the Manager to the Buyback Offer, Corporate Professionals Capital Private Limited, has furnished to SEBI a due diligence certificate dated April 07, 2022, in accordance with Buyback Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buyback as part of the due diligence carried out by us in connection with the finalization of the Public Announcement dated Tuesday, March 29, 2022, published on Thursday, March 31, 2022 (the “Public Announcement”) and the Draft Letter of Offer dated April 07, 2022 (“DloF”). On the basis of such examination and the discussions with the Company, we hereby state that:

1. *The Public Announcement and the DloF are in conformity with the documents, materials and papers relevant to the Buyback Offer;*

2. *All the legal requirements connected with the said offer including the SEBI (Buy-Back of Securities) Regulations, 2018, as amended, have been duly complied with.*
3. *The disclosures in the Public Announcement and the DloF 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.*
4. *Funds used for Buyback shall be as per the provisions of the Companies Act.”*

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

The Promoter, Promoter Group and Board of Directors of the Company declare and confirm that no information/ material likely to have a bearing on the decision of Eligible Shareholders has been suppressed/withheld and/or incorporated in the manner that would amount to mis-statement/ 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/misrepresentation, the Promoter and Promoter Group, Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

The Promoter, Promoter Group and Board of Directors of the Company also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘will’, ‘will continue’, ‘will pursue’, or other words or phrases of similar import. Similarly, statements that describe the Company’s strategies, objectives, plans or goals expectations regarding stock price, the ability to participate in the Buyback and expectations regarding repurchases are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in which the Company operates and its ability to respond to them, the ability to successfully implement strategies, growth and expansion, technological changes, exposure to market risks, general economic and political conditions in India or other key markets where the Company operates which have an impact on business activities or investments, the monetary and fiscal policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India or globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

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

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

The Buyback through Tender Offer was considered and approved by the Board of Directors at the Board Meeting held on Tuesday, March 29, 2022. The extracts of the Board Resolution are as follows:

"RESOLVED THAT in accordance with Article 13 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 179 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), applicable provisions of the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 (the "Management Rules"), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended ("the Buyback Regulations"), and subject to such approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Ahmedabad (the "ROC") and/or other appropriate authorities which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board", which expression includes any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, the consent of the Board of Directors of the Company be and is hereby accorded for the Buyback **upto 42,50,000 (Forty-Two Lakh And Fifty Thousand) Equity Shares** of its fully paid-up equity shares of face value of Rs.2/- each ("Equity Shares"/ "Shares") representing **1.89%** of the of the total existing paid-up Equity Share capital of the Company), at a price of **Rs. 140/- (Rupees One Hundred and Forty Only)** per fully paid up Equity Share payable in cash ("Buyback Price") for a maximum amount not exceeding **Rs. 59,50,00,000/- (Rupees Fifty Nine Crore and Fifty Lakh Only)** ("Buyback Size"), representing **8.63%** of the aggregate of the fully paid-up Equity Share Capital and free reserves of the Company as per the latest audited financial Statements as at 31st March, 2021 and is not exceeding 10% of the aggregate of paid-up share capital and free reserves (including securities premium account) and is under the Board of Directors' approval route as per the provisions of the Act and Buyback Regulations, from the equity shareholders of the Company, as on the record date i.e. Friday, April 08, 2022, ("Record Date") on a proportionate basis, through the "Tender Offer route" (hereinafter referred to as the "Buyback").

RESOLVED FURTHER THAT the Buyback Size does not include any transaction costs viz. brokerage, applicable taxes such as Buyback tax ("Buyback Tax"), Securities Transaction Tax, GST, Stamp Duty, Expenses incurred or to be incurred for the Buyback like filing fees payable to Securities and Exchange Board of India ("SEBI"), advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc. Buyback Tax does not form part of the Buyback Size;

RESOLVED FURTHER THAT the Company shall implement the Buyback from out of its free reserves and/or Securities Premium account and/or such other sources as may be permitted by applicable law and that the Buyback shall be through the Tender Offer route in such manner as may be prescribed under the Act and the Buyback Regulations and on such terms and conditions as the Board may deem fit;

RESOLVED FURTHER THAT as required by Regulation 6 of the Buyback Regulations, the Company shall buyback Equity Shares from the shareholders on a proportionate basis under the Tender Offer route, provided that 15% of the number of Equity Shares which the Company proposes to buyback or the number of Equity Shares entitled as per the shareholding of small shareholders as defined in the Buyback Regulations ("Small Shareholders") as on the Record Date, whichever is higher, shall be reserved for Small Shareholders, as defined in the Buyback Regulations;

RESOLVED FURTHER THAT all of the shareholders of the Company will be eligible to participate in the Buyback including promoters and promoter group of the Company and their associates who hold Equity Shares as on the Record Date, persons in control (including such persons acting in concert) who hold

Equity Shares as on the Record Date, except the Promoters & Promoter Groups who have intimated to not to participate in the proposed buyback;

RESOLVED FURTHER THAT the Company shall implement the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended vide SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments thereof and the Company shall approach the Stock Exchange(s), as may be required, for facilitating the same;

RESOLVED FURTHER THAT the Buyback from non-resident Indians, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors, Foreign Portfolio Investors and members of foreign nationality, if any, shall be subject to such approvals, if any and to the extent necessary or required from concerned authorities and not limited to approvals from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, Income Tax Act, 1961 and rules and regulations framed there under, if any;

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (as amended) (the "Listing Regulations").

RESOLVED FURTHER THAT the Company has complied and shall continue to comply with Section 70 of the Companies Act 2013 (the Act), wherein:

1. It shall not directly or indirectly purchase its own shares:
 - i. through a subsidiary company including its own subsidiary companies, if any; or
 - ii. through any investment company or group of investment companies;
2. There are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any member, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years; and
3. The Company is in compliance with the provisions of Sections 92,123,127 and 129 of the Act.

RESOLVED FURTHER THAT nothing contained hereinabove shall confer any right on the part of any member to offer, or any obligation on the part of the Company or the Board of Directors to Buyback any shares and/or impair any power of the Company or the Board of Directors to terminate any process in relation to such Buyback if so permissible by law;

RESOLVED FURTHER THAT the Company shall earmark adequate sources of funds for the purpose of the Buyback;

RESOLVED FURTHER THAT as required under the proviso to Section 68(6) of the Act and Regulation 8 of the Buyback Regulations, the draft Declaration of Solvency along with annexure on the Statement of Assets and Liabilities as on 28th February, 2022 be and is hereby approved and the same will be filed with the ROC and SEBI after having it verified by an affidavit and signed by Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purrshottam Bhaggeria, Joint Managing Director or Shri Madhav Bhageria, Joint Managing Director & CFO of the Company;

RESOLVED FURTHER THAT Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purrshottam Bhaggeria, Joint Managing Director or Shri Madhav Bhageria, Joint Managing Director & CFO of the Company be and are hereby jointly authorized to make changes in the Declaration of Solvency as may be necessary, to sign and file/submit the same with the ROC and SEBI;

RESOLVED FURTHER THAT a Buyback Committee be and is hereby constituted comprising of Shri Madhu Sudhan Bhageria, Chairman & Managing Director, Shri Purrshottam Bhaggeria, Joint Managing Director and Mrs. Pallavi Bakhru Joshi, Independent Director of the Company and Mr. Raman Kumar Jha, Company Secretary & Compliance Officer shall act as the Secretary of the Buyback Committee and the powers of the Board in respect of the Buyback be delegated to the Committee ("Buyback Committee");

RESOLVED FURTHER THAT Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purrshottam Bhaggeria, Joint Managing Director, Shri Madhav Bhageria, Joint Managing Director & CFO and Mr. Raman Kumar Jha, Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buyback, including, but not limited to, the following:

1. The initiation of all necessary actions for preparation and filing of Public Announcement, the draft Letter of Offer, the Letter of Offer and other related documents;
2. Preparation of and making any corrections, amendments, deletions, additions to the Public Announcement, Draft Letter of Offer, Letter of Offer, Declaration of Solvency and related documents with the SEBI, ROC, the stock exchanges and other appropriate authority(ies), if any;
3. Finalizing the terms of Buyback such as the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
4. Appointing printers, advertisement agency, and other advisors, consultants or representatives and settlement of the remuneration for all such intermediaries/agencies/persons, including the payment of commission, brokerage, fee, charges etc. and enter into agreements/letters in respect thereof;
5. Making of all applications to the appropriate authorities for their requisite approvals;
6. Giving any information, explanation, declarations and confirmation in relation to the Public Announcement, draft Letter of Offer, Letter of Offer as may be required by the relevant authorities;
7. Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback in accordance with the Buyback Regulations;
8. The opening, operation and closure of Escrow Account and Special Account in accordance with the escrow agreement to be executed by the Company in this regard;
9. The opening, operation and closure of demat Escrow Account in accordance with the escrow agreement to be executed by the Company with the depository participants;
10. To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
11. To make all applications to the appropriate authority(ies) for their requisite approvals including for approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, if any;
12. To sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company (if required) on relevant documents required to be executed for the Buyback of shares and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other appropriate authorities;
13. To deal with stock exchanges (including their clearing corporations), where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 as amended via SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments thereof;

14. *Extinguishment of share certificates and filing of Certificate of extinguishment as required to be filed in connection with the Buyback on behalf of the Board;*
15. *To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper; and*
16. *To Sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback but not limited to certified copies of all resolutions passed by the Board in connection with the Buyback;*
17. *Obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.*

RESOLVED FURTHER THAT *the Buyback Committee shall dissolve post completion of Buyback.*

RESOLVED FURTHER THAT *in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, M/s. Corporate Professionals Capital Private Limited be and is hereby appointed as the Merchant Banker and the Manager to the Buyback for the proposed buyback;*

RESOLVED FURTHER THAT *in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, SMC Global Securities Limited be and hereby appointed as the Broker for the proposed Buyback;*

RESOLVED FURTHER THAT *in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, MCS Share Transfer Agent Limited be and hereby appointed as the Registrar for the proposed Buyback;*

RESOLVED FURTHER THAT *in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, Escrow Bank Account be opened with any Scheduled Commercial bank for the proposed Buyback;*

RESOLVED FURTHER THAT *in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, National Stock Exchange of India Limited be appointed as the Designated Stock Exchange for the proposed buyback;*

RESOLVED FURTHER THAT *Mr. Raman Kumar Jha, Company Secretary & Compliance Officer of the Company be and is hereby nominated as Compliance Officer for the purpose of compliance of legal requirements of proposed buyback and redressal of investors' grievances;*

RESOLVED FURTHER THAT *no information/ material likely to have a bearing on the decision of the investors has been/shall be suppressed/ withheld and/or incorporated in the manner that would amount to misstatement/ mis-representation and in the event of it transpiring at any point of time that any information material has been suppressed/ withheld and/ or amounts to mis-statement/ mis-representation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and Buyback Regulations;*

RESOLVED FURTHER THAT *Intention letters received from the members of Promoters and Promoter Group of the Company be and are taken on record with regard to participation in the proposed buyback offer by the Company.*

RESOLVED FURTHER THAT *the Board do hereby confirm that they have made a full enquiry into the affairs and prospects of the Company and have formed the opinion:*

1. *That immediately following the date of Board Meeting held on March 29, 2022, there will be no grounds on which the Company can be found unable to pay its debts;*
2. *That as regards the Company's prospects for the year immediately following the date of the Board Meeting held on March 29, 2022 and having regard 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 the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting;

3. *In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).*

RESOLVED FURTHER THAT *the Board hereby confirms that:*

1. *All the Equity Shares for Buyback are fully paid-up;*
2. *That the Company shall not issue any Equity Shares or any specified securities including by way of bonus till the date of closure of this Buyback period;*
3. *As per provisions of Regulation 24(1)(f) of Buyback Regulations, the Company shall not raise further capital for a period of one year from the expiry of Buyback period except in discharge of its subsisting obligations;*
4. *That the Company, as per provisions of Section 68(8) of the Companies Act 2013, shall not make further issue of the same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of Section 62 of the Act within a period of six months after the completion of the Buyback except by way of a bonus issue or in discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;*
5. *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 (As per the intent letters received from the promoter & promoter group Ms. Shefali Bhageria, Ms. Gunjan Bhageria, Ms. Vrinda Bhageria, Azimuth Investments Limited and Nouvelle Securities Private Limited, their shareholdings are under lock-in, thus the Company do hereby confirm that it will not buyback any shares which are either under lock-in or are non-transferable.)*
6. *That the Company shall not Buyback its shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;*
7. *That there are no defaults subsisting in the repayment of Deposits or interest payment thereon, redemption of debentures or interest payment thereon, or preference shares or payment of dividend due to any member or repayment of term loans or interest payable thereon to any financial institutions or banks.*
8. *That funds borrowed from Banks and Financial Institutions will not be used for the Buyback;*
9. *That the aggregate amount of the Buyback i.e. upto Rs. 59,50,00,000/- (Rupees Fifty Nine Crore and Fifty Lakh Only) does not exceed 10% of the total paid-up equity capital and free reserves of the Company as on March 31, 2021.*
10. *That the maximum number of shares proposed to be purchased under the Buyback shall not exceed 10% of the total number of shares in the paid-up equity capital as per the financial statement as on March 31, 2021.*
11. *The Company shall not make any offer of Buyback within a period of one year reckoned from the date of closure of the Buyback;*
12. *There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date; and*
13. *That the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback on standalone basis."*

RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for fixing **Friday, April 08, 2022** as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders / Beneficial Owners to whom the letter of offer will be sent and will be eligible to participate in the Buyback offer of the Company.

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

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purrshottam Bhaggeria, Joint Managing Director, Shri Madhav Bhageria, Joint Managing Director & CFO and Mr. Raman Kumar Jha, Company Secretary of the Company be and are hereby severally authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purrshottam Bhaggeria, Joint Managing Director, Shri Madhav Bhageria, Joint Managing Director & CFO and Mr. Raman Kumar Jha, Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the members of the Company for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and 'Certificate of Extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, Reserve Bank of India, BSE Limited, National Stock Exchange of India Limited, ROC, Depositories and/or other authorities.

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

5.1. In accordance with Regulation 7(i) of the Buyback Regulations, the Company has made the Public Announcement dated March 29, 2022 for the Buyback of Equity Shares published on March 31, 2022 in the following newspapers:

Sr. No.	Name of Newspaper	Language	Editions
1.	Business Standard	English	All Editions
2.	Business Standard	Hindi	All Editions
3.	Divya Bhaskar	Gujarati	Vapi Editions

5.2. Pursuant to the resolution passed by the Board of Directors in their Board Meeting held on March 29, 2022, the Public Announcement in compliance with Regulation 7(i) of the Buyback Regulations was made by the Company within 2 (two) Working Days from the date of passing of Board resolution.

5.3. The Company will publish further notices or corrigenda to or relating to the Public Announcement, if any, in the abovementioned newspapers.

5.4. A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in, the website of the Company at www.filatex.com, on the website of Stock Exchanges at www.nseindia.com and www.bseindia.com and Manager to the Buyback Offer at www.corporateprofessionals.com.

6. DETAILS OF THE BUYBACK

- 6.1. The Board of Directors of the Company at their Board Meeting held on Tuesday, March 29, 2022, pursuant to the provisions of Article 13 of the Articles and the provisions of Sections 68, 69, 70 and 179 and all other applicable provisions, if any, of the Companies Act, the SCD Rules, to the extent applicable, and in compliance with the Buyback Regulations, as amended from time to time, and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the Buyback of upto 42,50,000 (Forty-Two Lakh and Fifty Thousand Only) Equity Shares representing upto 1.89% of the total existing paid-up Equity Share capital of the Company at a price of ₹ 140/- (Rupees One Hundred and Forty only) per Equity Share (**“Buyback Price”**) payable in cash for an aggregate amount not exceeding ₹ 59,50,00,000 (Rupees Fifty Nine Crore and Fifty Lakh Only) (**“Buyback Offer Size”**), which is 8.63% of the aggregate of the fully paid-up Equity Share capital and free reserves as per the latest audited Financial Statements, as at March 31, 2021 on a proportionate basis through the “Tender Offer” route from all of the Eligible Shareholders.
- 6.2. The Buyback Size does not include any transaction costs viz. brokerage, applicable taxes such as buyback tax (**“Buyback Tax”**), Securities Transaction Tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc. Buyback Tax does not form part of the Buyback Size and will be appropriated out of the free reserves of the Company.
- 6.3. The Equity Shares of the Company are listed and traded on National Stock Exchange of India Limited (the **“NSE”**) and BSE Limited (the **“BSE”**) (hereinafter, collectively, referred to as the **“Stock Exchanges”**).
- 6.4. In addition to the regulations/statutes referred to in paragraph 6.1 above, the Buyback is also in accordance with the applicable provisions of Management Rules and the LODR Regulations. The Buyback shall be undertaken on a proportionate basis from the Eligible Shareholders through the tender offer process as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be subject to applicable laws, be implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by the SEBI Circulars. In this regard, the Company will request National Stock Exchange of India Limited to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback. For the purposes of this Buyback, National Stock Exchange of India Limited will be the Designated Stock Exchange.
- 6.5. The aggregate of paid up share capital and free reserves of the Company on the basis of latest audited Financial Statements for financial year ended March 31, 2021 are ₹ 68,976.87 Lakh calculated in accordance with the provisions of the Companies Act, 2013. The Buyback Size is ₹ 5,950 Lakh which represents 8.63% of the aggregate of fully paid-up share capital and free reserves as per latest audited Financial Statements as at March 31, 2021 (the last audited financial statement available as on the date of Board Meeting approving the Buyback i.e., March 29, 2022) and is within the statutory limit of

10% of the fully paid-up equity share capital and free reserves as per the last audited balance sheet of the Company under the Board of Directors approval route. 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. The Company proposes to buyback upto 42,50,000 (Forty Two Lakh and Fifty Thousand) equity shares representing 1.89% of the total existing equity shares of the Company, therefore, the same is within the aforesaid 25% limit.

6.6. The aggregate shareholding of the (i) Promoter and Promoter Group and persons in control, (ii) Directors of companies which are a part of the Promoter and Promoter Group, and (iii) Directors and Key Managerial Personnel of the Company as on the date of the Public Announcement, i.e., March 29, 2022, are as follows:

i. Aggregate shareholding of the Promoter and Promoter Group and persons who are in control as on the date of the Public Announcement, i.e., March 29, 2022:

S. No.	Name of Shareholders	No. of Shares held	Percentage (%)
1	Mr. Madhu Sudhan Bhageria	1,93,11,799	8.57
2	Ms. Anu Bhageria	58,19,000	2.58
3	Mr. Purrshottam Bhaggeria	2,17,36,798	9.65
4	Ms. Shefali Bhageria #	44,08,202	1.96
5	Mr. Madhav Bhageria	2,19,24,798	9.73
6	Ms. Gunjan Bhageria #	48,75,202	2.16
7	Ms. Vrinda Bhageria #	55,69,201	2.47
8	Mr. Yaduraj Bhageria	24,75,000	1.10
9	Mr. Vedansh Bhageria	39,00,000	1.73
10	Ms. Stuti Bhageria	20,80,000	0.92
11	Azimuth Investments Ltd. #	1,86,50,000	8.28
12	SMC Yarns Pvt. Ltd.	10,22,500	0.45
13	Nouvelle Securities Pvt. Ltd. #	1,26,06,901	5.60
14	Fabiola Farms & Dairy Products Pvt. Ltd.	2,33,500	0.10
15	Janus Infrastructure Projects Pvt. Ltd.	1,40,21,035	6.22
16	Fargo Estates Private Limited	82,00,000	3.64
	Total	14,68,33,936	65.18

Out of their respective holdings, following number of Equity shares are under lock in as under:

S. No.	Name of member of Promoter & Promoter Group	Number of Equity Shares locked-in upto 15.04.2022	Number of Equity Shares locked-in upto 15.10.2024
1	Ms. Shefali Bhageria	43,38,500	69,702
2	Ms. Gunjan Bhageria	47,03,474	1,71,728
3	Ms. Vrinda Bhageria	55,00,000	69,201
4	Azimuth Investments Ltd.	1,73,49,082	13,00,918
5	Nouvelle Securities Pvt. Ltd.	1,73,49,082	11,88,451
	Total	4,92,40,138	28,00,000

- ii. Aggregate shareholding of the Directors of companies which are a part of the Promoter and Promoter Group, as on the date of the Public Announcement, i.e., March 29, 2022:

Azimuth Investments Ltd

S. No.	Name of Directors	No. of Shares held	Percentage of Holding
1	Mr. Madhu Sudhan Bhageria	1,93,11,799	8.57
2	Mr. Jitender Kumar	5,000	0.002
3	Mr. Bhola Dutt Bhatt	2,600	0.001

SMC Yarns Pvt. Ltd.

S. No.	Name of Directors	No. of Shares held	Percentage of Holding
1	Mr. Madhu Sudhan Bhageria	1,93,11,799	8.57
2	Mr. Charley Jacob	-	-

Nouvelle Securities Pvt. Ltd

S. No.	Name of Directors	No. of Shares held	Percentage of Holding
1	Mr. Madhu Sudhan Bhageria	1,93,11,799	8.57
2	Mr. Purrshottam Bhaggeria	2,17,36,798	9.65

Fabiola Farms & Dairy Products Pvt. Ltd.

S. No.	Name of Directors	No. of Shares held	Percentage of Holding
1	Mr. Madhav Bhageria	2,19,24,798	9.73
2	Mr. Hemlata Agrawal	1,10,000	0.05

Janus Infrastructure Projects Private Limited

S. No.	Name of Directors	No. of Shares held	Percentage of Holding
1	Mr. Jitender Kumar	5,000	0.002
2	Mr. Bhola Dutt Bhatt	2,600	0.001

Fargo Estates Private Limited

S. No.	Name of Directors	No. of Shares held	Percentage of Holding
1	Mr. Purrshottam Bhaggeria	2,17,36,798	9.65
2	Mr. Jitender Kumar	5,000	0.002

- iii. Aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the date of the Public Announcement, i.e., March 29, 2022:

S. No.	Name	Designation	No. of Shares held	Percentage (%)
1.	Mr. Madhu Sudhan Bhageria	Chairman and Managing Director	1,93,11,799	8.57
2.	Mr. Purrshottam Bhaggeria	Joint Managing Director	2,17,36,798	9.65
3.	Mr. Madhav Bhageria	Joint Managing Director & CFO	2,19,24,798	9.73
4.	Mr. Ashok Chauhan	Whole-time Director	2,50,000	0.11
5.	Mr. Suraj Parkash Setia	Independent Director	100	Negligible
6.	Mr. Swarup Chandra Parija	Independent Director	-	-
7.	Mr. Brij Behari Tandon	Independent Director	-	-

8.	Ms. Pallavi Joshi Bakhru	Independent Director	-	-
9.	Mr. Raman Kumar Jha	Company Secretary	20,879	0.01

- 6.7.** In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group have the option to participate in the Buyback. In this regard, members of the Promoter and Promoter Group have expressed their intention vide their letters dated March 25, 2022 and March 28, 2022 to participate in the Buyback and may tender upto an aggregate maximum number of 14,40,33,936 Equity Shares or such lower number of shares in accordance with the provisions of the Buyback Regulations/terms of the Buyback. The extent of their participation in the Buyback has been detailed in paragraph 9.2 of this Letter of Offer.
- 6.8.** As on the date of this Letter of Offer, the Promoter and Promoter Group hold 65.18% of the Equity Shares in the total outstanding equity share capital of the Company. For details with respect to the Promoter and Promoter Group shareholding post the Buyback, please refer to paragraph 13.7 of this Letter of Offer.
- 6.9.** Post Buyback, the public shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the Listing Regulations, as amended, and the provisions contained under Rule 19 (2) (b) and Rule 19A of the Securities Contract (Regulation) Rules, 1957 read with SEBI circular dated February 22, 2018.

7. AUTHORITY FOR THE BUYBACK

- 7.1.** The Buyback is in accordance with Article 13 of the Articles, Sections 68, 69, 70 and 179 and all other applicable provisions of the Companies Act, the SCD Rules, the Management Rules, LODR Regulations and the Buyback Regulations. The Buyback is subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board.
- 7.2.** The Buyback has been duly authorised by a resolution of the Board of Directors passed in its meeting held on Tuesday, March 29, 2022.

8. NECESSITY OF THE BUYBACK

The current Buyback is a capital allocation decision taken with the objective of seeking a fairer valuation of the Company's stock while improving the Company's Return on Equity and increasing shareholder value in the longer term. In addition to distribution of surplus cash to the members holding equity shares broadly in proportion to their shareholding, it will enhance the overall return to shareholders and help in achieving optimal capital structure. The Buyback is being undertaken by the Company after taking into account the strategic and operational cash needs of the Company in the medium term and thereby returning surplus funds to the equity shareholders, which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, effective and cost efficient manner. The Buyback is being undertaken for the following reasons:

- 8.1.** The Buyback will help the Company to distribute surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- 8.2.** The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve a reservation of upto 15% of the Buyback Size for small

shareholders. The Company believes that this reservation of upto 15% for small shareholders would benefit a large number of public shareholders, who would get classified as “**Small Shareholders**” as defined in the Buyback Regulations;

- 8.3. The Buyback would help in improving financial ratios like earnings per share and return on equity, by reducing the equity base of the Company; and
- 8.4. The Buyback gives an option to the Eligible Sellers to either choose to participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback or choose not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without additional investment as a result of decrease in the paid-up Equity Share Capital.

9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUYBACK ON THE COMPANY

- 9.1. The Buyback is not likely to cause any material impact on the profitability/earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming that the response to the Buyback is to the extent of 100% (full Acceptance) from all the Eligible Shareholders upto their Buyback entitlement, the funds deployed by the Company towards the Buyback excluding costs, applicable taxes and expenses of the Buyback, would be ₹ 59,50,00,000 /- (Rupees Fifty Nine Crore and Fifty Lakh Only).
- 9.2. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group have the option to participate in the Buyback. In this regard, the Promoter and Promoter Group have expressed their intention vide their letters dated March 25, 2022 and March 28, 2022 to participate in the Buyback and may tender upto an aggregate maximum number of 14,40,33,936 Equity Shares or such lower number of shares in accordance with the provisions of the Buyback Regulations/terms of the Buyback.

Please see below the maximum number of Equity Shares proposed to be tendered by each member of the Promoter and Promoter Group in the Buyback:

S. N.	Name	Maximum Number of Equity Shares Intended to tender
1.	Mr. Madhu Sudhan Bhageria	1,93,11,799
2.	Ms. Anu Bhageria	58,19,000
3.	Mr. Purrshottam Bhaggeria	2,17,36,798
4.	Ms. Shefali Bhageria	43,38,500
5.	Mr. Madhav Bhageria	2,19,24,798
6.	Ms. Gunjan Bhageria	47,03,474
7.	Ms. Vrinda Bhageria	55,00,000
8.	Mr. Yaduraj Bhageria	24,75,000
9.	Mr. Vedansh Bhageria	39,00,000
10.	Ms. Stuti Bhageria	20,80,000
11.	Azimuth Investments Ltd.	1,73,49,082
12.	SMC Yarns Pvt. Ltd.	10,22,500
13.	Nouvelle Securities Pvt. Ltd.	1,14,18,450
14.	Fabiola Farms & Dairy Products Pvt. Ltd.	2,33,500

15.	Janus Infrastructure Projects Pvt. Ltd.	1,40,21,035
16.	Fargo Estates Private Limited	82,00,000
Total		14,40,33,936

9.3. Details of the date and price of acquisition of the Equity Shares that the Promoter and Promoter Group intend to tender are set-out below:

a. Mr. Madhu Sudhan Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.1990	Allotment	10	10	100
25.11.1992	Allotment	50,000	10	5,00,000
15.02.1993	Allotment	49,990	10	4,99,900
21.08.1996	Market Purchase	1,70,000	10	9,78,010
13.03.2002	Market Purchase	51,500	10	1,23,600
14.03.2002	Market Purchase	1,23,500	10	2,96,400
31.07.2002	Allotment	7,97,500	10	79,75,000
28.05.2009	Market Purchase	2,000	10	41,778
22.06.2009	Market Purchase	8,000	10	1,84,342
12.02.2014	Allotment	12,10,000	10	3,02,50,000
04.08.2014	Allotment	12,45,860	10	3,11,46,500
18.11.2017	Shares acquired from father's will	46,333	10	3,02,027
	Total no. of shares before sub division	37,54,693		
18.06.2018	After sub division of face value	1,87,73,465	2	
25.09.2018	Shares acquired from father's will	5,38,334	2	11,14,444
		1,93,11,799		

b. Mr. Purrshottam Bhaggeria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.1990	Allotment	10	10	100
25.11.1992	Allotment	20,000	10	2,00,000
15.02.1993	Allotment	88,000	10	8,80,000
26.04.1993	Transfer	10,000	10	1,00,000
26.04.1993	Transfer	5,500	10	55,000
26.04.1993	Transfer	5,000	10	50,000
26.04.1993	Transfer	20,000	10	2,00,000
26.04.1993	Transfer	5,500	10	55,000
26.04.1993	Transfer	10,000	10	1,00,000
26.04.1993	Transfer	10,000	10	1,00,000
26.04.1993	Transfer	10,000	10	1,00,000
26.04.1993	Transfer	10,000	10	1,00,000
26.04.1993	Transfer	10,000	10	1,00,000
16.11.1993	Allotment	25,990	10	2,59,900

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
14.03.2002	Market Purchase	1,00,000		2,40,000
31.07.2002	Allotment	5,35,000	10	53,50,000
12.02.2014	Allotment	12,15,000	10	3,03,75,000
04.08.2014	Allotment	12,53,280	10	3,13,32,000
31.12.2014	Purrshottam Bhaggeria HUF – Dissolution	8,60,079		1,76,44,811
18.11.2017	Shares acquired from father's will	46,334	10	3,07,027
	Total no. of shares before sub division	42,39,693		
18.06.2018	After sub division of face value	2,11,98,465	2	
25.09.2018	Shares acquired from father's will	5,38,333	2	11,14,453
		2,17,36,798		

c. Mr. Madhav Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.1990	Allotment	10	10	100
25.11.1992	Allotment	10,000	10	1,00,000
15.02.1993	Allotment	1,69,990	10	16,99,900
16.11.1993	Allotment	80,000	10	8,00,000
30.09.1997	Transfer	1,07,600	10	8,72,098
15.03.2002	Market Purchase	1,75,000	10	4,98,750
31.07.2002	Allotment	1,67,500	10	16,75,000
12.02.2014	Allotment	12,15,000	10	3,03,75,000
04.08.2014	Allotment	12,60,860	10	3,15,21,500
19.12.2014	Madhav Bhageria HUF- Dissolution Deed	10,45,000	10	3,87,81,475
18.11.2017	Shares acquired from father's will	46,333	10	3,07,027
	Total no. of shares before sub division	42,77,293		
18.06.2018	After sub division of face value	2,13,86,465	2	
25.09.2018	Shares acquired from father's will	5,38,333	2	11,14,453
		2,19,24,798		

d. Mrs. Anu Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.1990	Allotment	10	10	100
25.11.1992	Allotment	50,000	10	5,00,000
16.11.1993	Allotment	59,990	10	5,99,900
24.04.1998	Market Purchase	3,800	10	38,779
24.04.1998	Market Purchase	1,200	10	12,126

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
20.04.1998	Market Purchase	300	10	3,032
20.04.1998	Market Purchase	100	10	1,011
21.04.1998	Market Purchase	100	10	1,011
21.04.1998	Market Purchase	300	10	3,302
21.04.1998	Market Purchase	200	10	2,221
21.04.1998	Market Purchase	100	10	1,160
21.04.1998	Market Purchase	200	10	2,401
21.04.1998	Market Purchase	300	10	3,632
21.04.1998	Market Purchase	100	10	1,210
21.04.1998	Market Purchase	800	10	9,864
21.04.1998	Market Purchase	200	10	2,421
21.04.1998	Market Purchase	300	10	3,632
21.04.1998	Market Purchase	200	10	2,421
21.04.1998	Market Purchase	300	10	3,751
21.04.1998	Market Purchase	700	10	8,823
22.04.1998	Market Purchase	300	10	3,332
22.04.1998	Market Purchase	300	10	3,331
22.04.1998	Market Purchase	500	10	6,053
22.04.1998	Market Purchase	500	10	6,053
23.04.1998	Market Purchase	200	10	2,021
23.04.1998	Market Purchase	800	10	8,084
23.04.1998	Market Purchase	200	10	2,021
27.04.1998	Market Purchase	4,900	10	50,005
29.04.1998	Market Purchase	6,000	10	61,230
30.04.1998	Market Purchase	3,000	10	30,615
30.04.1998	Market Purchase	5,000	10	46,025
30.04.1998	Market Purchase	1,000	10	10,205
30.04.1998	Market Purchase	1,000	10	9,105
30.04.1998	Market Purchase	1,000	10	9,105
04.05.1998	Market Purchase	100	10	916
04.05.1998	Market Purchase	1,000	10	9,355
04.05.1998	Market Purchase	1,000	10	9,355
06.05.1998	Market Purchase	500	10	4,803
06.05.1998	Market Purchase	200	10	1,821
08.05.1998	Market Purchase	1,000	10	9,605
08.05.1998	Market Purchase	600	10	5,523
19.05.1998	Market Purchase	2,000	10	18,210
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
19.05.1998	Market Purchase	500	10	4,553
14.05.1999	Market Purchase	1,00,000	10	4,20,250
24.03.2011	Market Purchase	1,00,000	10	38,96,918
15.03.2012	Market Purchase	20,000	10	7,47,781
30.07.2016	Allotment	1,50,000	10	67,50,000

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
08.08.2017	Gift from Mrs. Satyabhama Bhageria	1,52,500	10	12,96,228
	Total no. of shares before sub division	6,77,800		
18.06.2018	After sub division of face value	33,89,000	2	
13.08.2019	Market Purchase	2,00,000	2	77,26,114
18.12.2019	Market Purchase	1,00,000	2	36,43,180
19.12.2019	Market Purchase	75,000	2	27,73,750
20.12.2019	Market Purchase	50,000	2	18,25,337
23.12.2019	Market Purchase	85,918	2	31,84,920
23.12.2019	Market Purchase	14,082	2	5,19,389
31.12.2019	Market Purchase	1,00,000	2	39,23,852
19.02.2020	Market Purchase	1,25,000	2	50,62,048
24.02.2020	Market Purchase	25,000	2	9,77,192
24.02.2020	Market Purchase	25,000	2	9,77,205
27.02.2020	Market Purchase	1,00,000	2	37,26,766
07.12.2020	Market Purchase	7,25,000	2	2,56,70,687
10.12.2020	Market Purchase	3,00,000	2	1,14,01,507
11.12.2020	Market Purchase	3,50,000	2	1,39,22,009
15.12.2020	Market Purchase	1,00,000	2	43,95,139
17.12.2020	Market Purchase	55,000	2	23,07,072
		58,19,000		

e. Ms. Vrinda Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
30.07.2016	Allotment	1,50,000	10	67,50,000
17.03.2017	Madhu Sudhan Bhageria-HUF Dissolution	5,10,000	10	1,40,82,830
	Total no. of shares before sub division	6,60,000		
18.06.2018	After sub division of face value	33,00,000	2	
31.03.2019	Market Purchase	1,00,000	2	48,08,414
29.05.2019	Market Purchase	32,207	2	14,18,611
30.05.2019	Market Purchase	1,00,000	2	44,99,641
13.08.2019	Market Purchase	1,00,000	2	38,78,714
11.12.2019	Market Purchase	75,000	2	27,04,744
11.12.2019	Market Purchase	75,000	2	27,06,084
29.09.2020	Market Purchase	69,000	2	17,28,982
24.11.2020	Market Purchase	7,00,000	2	2,13,40,507
26.11.2020	Market Purchase	4,00,000	2	1,22,99,672
27.11.2020	Market Purchase	5,48,793	2	1,79,74,226
27.09.2021	Allotment	69,201	2	65,74,095
		55,69,201		

f. Mrs. Shefali Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.1990	Allotment	10	10	100
25.11.1992	Allotment	10,000	10	1,00,000
16.11.1993	Allotment	89,990	10	8,99,900
30.04.1998	Market Purchase	4,000	10	36,820
30.04.1998	Market Purchase	2,000	10	16,410
04.05.1998	Market Purchase	4,500	10	39,173
04.05.1998	Market Purchase	8,600	10	79,163
04.05.1998	Market Purchase	5,000	10	44,775
06.05.1998	Market Purchase	100	10	965
06.05.1998	Market Purchase	100	10	971
06.05.1998	Market Purchase	1,000	10	10,055
06.05.1998	Market Purchase	300	10	3,032
06.05.1998	Market Purchase	15,000	10	1,53,075
21.05.1998	Market Purchase	4,700	10	39,268
22.05.1999	Market Purchase	1,55,000	10	6,51,388
24.03.2011	Market Purchase	1,00,000	10	38,96,918
30.07.2016	Allotment	1,50,000	10	67,50,000
08.08.2017	Gift from Mrs. Satyabhama Bhageria	1,52,400	10	10,13,314
	Total no. of shares before sub division	7,02,700		
18.06.2018	After subdivision of face value	35,13,500	2	
23.09.2019	Market Purchase	2,00,000	2	78,78,864
24.09.2019	Market Purchase	50,000	2	19,66,903
13.12.2019	Market Purchase	50,000	2	17,46,269
16.12.2019	Market Purchase	1,25,000	2	44,63,858
17.12.2019	Market Purchase	75,000	2	27,23,357
17.12.2019	Market Purchase	25,000	2	9,04,356
31.12.2019	Market Purchase	1,50,000	2	58,61,124
20.02.2020	Market Purchase	50,000	2	19,90,506
06.03.2020	Market Purchase	1,00,000	2	34,06,533
27.09.2021	Allotment	69,702	2	66,21,690
		44,08,202		

g. Mr. Yaduraj Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
30.07.2016	Allotment	1,50,000	10	67,50,000
	Total no. of shares before sub division	1,50,000		
18.06.2018	After sub division of face value	7,50,000	2	
31.05.2019	Market Purchase	50,000	2	21,88,570
16.12.2019	Market Purchase	25,000	2	8,95,630
02.12.2020	Market Purchase	8,00,000	2	2,76,14,709

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
03.12.2020	Market Purchase	4,50,000	2	1,51,79,032
15.12.2020	Market Purchase	1,00,000	2	42,76,681
17.12.2020	Market Purchase	2,00,000	2	83,83,431
21.12.2020	Market Purchase	1,00,000	2	42,46,703
		24,75,000		

h. Mrs. Gunjan Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.1990	Allotment	10	10	100
25.11.1992	Allotment	50,000	10	5,00,000
15.02.1993	Allotment	39,990	10	3,99,900
20.04.1998	Market Purchase	400	10	4,042
20.04.1998	Market Purchase	200	10	2,021
21.04.1998	Market Purchase	100	10	1,221
21.04.1998	Market Purchase	15,400	10	1,94,887
21.04.1998	Market Purchase	18,200	10	2,03,931
21.04.1998	Market Purchase	1,000	10	10,505
24.04.1998	Market Purchase	10,000	10	1,02,050
21.05.1998	Market Purchase	1,800	10	15,039
11.06.1998	Market Purchase	25,600	10	2,71,488
14.05.1999	Market Purchase	1,00,000	10	4,20,250
24.03.2011	Market Purchase	1,00,000	10	38,96,918
30.07.2016	Allotment	1,50,000	10	67,50,000
08.08.2017	Satya Bhama Bhageria-Gift Deed	1,52,400	10	13,00,877
	Total no. of shares before sub division	6,65,100		
18.06.2018	After sub division of face value	33,25,500	2	
27.09.2019	Market Purchase	50,000	2	18,89,393
24.12.2019	Market Purchase	75,000	2	27,70,172
26.12.2019	Market Purchase	65,000	2	24,15,700
27.12.2019	Market Purchase	75,000	2	27,94,608
30.12.2019	Market Purchase	1,00,000	2	38,08,996
30.12.2019	Market Purchase	1,00,000	2	38,08,855
31.12.2019	Market Purchase	40,000	2	15,63,013
31.12.2019	Market Purchase	60,000	2	23,15,203
19.02.2020	Market Purchase	50,000	2	20,21,842
19.02.2020	Market Purchase	25,000	2	10,08,453
28.02.2020	Market Purchase	1,50,000	2	52,56,240
03.03.2020	Market Purchase	25,000	2	8,73,140
03.03.2020	Market Purchase	1,00,000	2	34,57,532
06.03.2020	Market Purchase	1,00,000	2	34,15,174
22.06.2020	Market Purchase	2,50,000	2	74,36,466
23.06.2020	Market Purchase	1,12,974	2	32,21,097
27.09.2021	Allotment	1,71,728	2	1,63,14,160
		48,75,202		

i. Mr. Vedansh Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
30.07.2016	Allotment	1,50,000	10	67,50,000
	Total no. of shares before sub division	1,50,000		
18.06.2018	After sub division of face value	7,50,000	2	
07.12.2020	Market Purchase	5,50,000	2	1,95,80,215
08.12.2020	Market Purchase	6,50,000	2	2,42,53,303
09.12.2020	Market Purchase	8,00,000	2	3,11,13,030
15.12.2020	Market Purchase	4,00,000	2	1,74,15,716
17.12.2020	Market Purchase	2,50,000	2	1,05,04,229
22.12.2020	Market Purchase	5,00,000	2	2,04,93,308
		39,00,000		

j. Ms. Stuti Bhageria:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
28.02.2019	Market Purchase	50,000	2	23,05,057
28.02.2019	Market Purchase	1,50,000	2	69,10,116
14.08.2019	Market Purchase	80,000	2	31,06,906
14.08.2019	Market Purchase	80,000	2	31,07,036
27.08.2019	Market Purchase	90,000	2	34,54,915
13.12.2019	Market Purchase	50,000	2	17,46,107
04.12.2020	Market Purchase	8,50,000	2	2,84,62,941
15.12.2020	Market Purchase	2,00,000	2	87,93,459
17.12.2020	Market Purchase	1,00,000	2	42,06,128
21.12.2020	Market Purchase	4,30,000	2	1,82,49,313
		20,80,000		

k. Azimuth Investments Limited:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
June 2002	Purchase	4,50,000	10	9,92,750
31.03.2004	Allotment	4,70,000	10	1,17,50,000
31.03.2005	Allotment	4,70,000	10	1,17,50,000
30.06.2005	Allotment	4,70,000	10	1,17,50,000
09.07.2011	Allotment by conversion of warrant	12,65,000	10	5,06,00,000
	Total no. of shares before sub division	31,25,000		
18.06.2018	After sub division of face value	1,56,25,000	2	
04.09.2019	Market Purchase	55,000	2	20,92,100
04.09.2019	Market Purchase	45,000	2	17,12,400
05.09.2019	Market Purchase	45,000	2	17,54,650
05.09.2019	Market Purchase	55,000	2	21,43,600
09.09.2019	Market Purchase	1,00,000	2	40,92,835

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.09.2019	Market Purchase	30,000	2	12,92,400
11.09.2019	Market Purchase	70,000	2	30,40,600
19.09.2019	Market Purchase	20,000	2	7,89,400
19.09.2019	Market Purchase	80,000	2	31,18,362
20.09.2019	Market Purchase	40,000	2	15,78,037
20.09.2019	Market Purchase	1,10,000	2	44,24,578
18.11.2019	Market Purchase	40,000	2	15,02,800
18.11.2019	Market Purchase	1,60,000	2	60,17,000
20.11.2019	Market Purchase	25,000	2	9,19,741
22.11.2019	Market Purchase	35,000	2	12,90,813
22.11.2019	Market Purchase	1,37,150	2	50,42,803
25.11.2019	Market Purchase	75,000	2	27,33,619
25.11.2019	Market Purchase	25,000	2	9,09,741
26.11.2019	Market Purchase	75,000	2	27,36,685
26.11.2019	Market Purchase	25,000	2	9,09,749
19.03.2020	Market Purchase	10,000	2	2,10,300
19.03.2020	Market Purchase	40,000	2	8,30,768
20.11.2020	Market Purchase	4,26,932	2	1,28,49,633
27.09.2021	Allotment	13,00,918	2	12,35,87,210
		1,86,50,000		

l. SMC Yarns Private Limited:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
16.11.1993	Allotment	50,000	10	5,00,000
17.03.1998	Market Purchase	1,00,000	10	6,10,500
21.04.1998	Market Purchase	14,500	10	1,83,497
	Total no. of shares before sub division	1,64,500		
18.06.2018	After sub division of face value	8,22,500	2	
25.02.2020	Market Purchase	1,75,000	2	69,39,172
26.02.2020	Market Purchase	25,000	2	9,54,099
		10,22,500		

m. Nouvelle Securities Private Limited:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
12.01.2009	Market Purchase	12,671	10	2,46,704
13.01.2009	Market Purchase	17,200	10	2,99,796
14.01.2009	Market Purchase	21,000	10	3,54,480
15.01.2009	Market Purchase	6,000	10	96,060
16.01.2009	Market Purchase	1,000	10	14,630
19.01.2009	Market Purchase	76	10	1,012
27.01.2009	Market Purchase	17,565	10	2,43,275
28.01.2009	Market Purchase	20,050	10	2,71,076
29.01.2009	Market Purchase	20,299	10	2,64,293
30.01.2009	Market Purchase	19,724	10	2,58,582

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
02.02.2009	Market Purchase	22,690	10	2,86,575
03.02.2009	Market Purchase	10,400	10	1,26,048
05.02.2009	Market Purchase	20,000	10	2,47,400
06.02.2009	Market Purchase	17,650	10	2,12,330
09.02.2009	Market Purchase	10,000	10	1,21,500
10.02.2009	Market Purchase	20,213	10	2,63,173
11.02.2009	Market Purchase	10,000	10	1,30,200
13.02.2009	Market Purchase	9,800	10	1,35,436
16.02.2009	Market Purchase	10,000	10	1,45,300
16.02.2009	Market Purchase	10,100	10	1,49,278
17.02.2009	Market Purchase	7,800	10	1,13,334
18.02.2009	Market Purchase	20,450	10	2,97,139
19.02.2009	Market Purchase	21,400	10	3,15,650
08.05.2009	Market Purchase	10,069	10	1,66,441
11.05.2009	Market Purchase	10,000	10	1,65,300
12.05.2009	Market Purchase	20,535	10	3,39,444
13.05.2009	Market Purchase	10,345	10	1,71,003
13.05.2009	Market Purchase	100	10	1,703
14.05.2009	Market Purchase	4,000	10	66,120
14.05.2009	Market Purchase	5,000	10	83,900
14.05.2009	Market Purchase	5,000	10	83,650
15.05.2009	Market Purchase	10,000	10	1,67,800
15.05.2009	Market Purchase	460	10	8,064
15.05.2009	Market Purchase	6,490	10	1,07,280
19.05.2009	Market Purchase	9,834	10	1,65,015
19.05.2009	Market Purchase	9,750	10	1,68,968
20.05.2009	Market Purchase	2,475	10	43,387
20.05.2009	Market Purchase	4,700	10	85,446
21.05.2009	Market Purchase	20,050	10	3,82,554
22.05.2009	Market Purchase	5,500	10	1,06,040
22.05.2009	Market Purchase	9,600	10	1,91,904
25.05.2009	Market Purchase	2,500	10	50,100
25.05.2009	Market Purchase	500	10	10,420
25.05.2009	Market Purchase	500	10	10,445
25.05.2009	Market Purchase	9,000	10	1,88,460
26.05.2009	Market Purchase	5,000	10	1,06,450
26.05.2009	Market Purchase	539	10	11,610
26.05.2009	Market Purchase	5,980	10	1,22,829
06.08.2009	Market Purchase	500	10	15,455
06.08.2009	Market Purchase	10,000	10	3,09,600
06.08.2009	Market Purchase	6,500	10	2,00,590
06.08.2009	Market Purchase	100	10	3,091
06.08.2009	Market Purchase	4,000	10	1,22,200
07.08.2009	Market Purchase	10,000	10	3,00,500
07.08.2009	Market Purchase	1,284	10	38,327
07.08.2009	Market Purchase	6,500	10	1,95,325
07.08.2009	Market Purchase	400	10	11,940
10.08.2009	Market Purchase	2,000	10	58,700
10.08.2009	Market Purchase	7,803	10	2,28,628
10.08.2009	Market Purchase	2,796	10	82,063
11.08.2009	Market Purchase	19,400	10	5,82,970
11.08.2009	Market Purchase	10	10	299

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
11.08.2009	Market Purchase	456	10	13,612
11.08.2009	Market Purchase	25	10	749
11.08.2009	Market Purchase	10	10	300
13.08.2009	Market Purchase	9,800	10	2,86,160
13.08.2009	Market Purchase	109	10	3,177
13.08.2009	Market Purchase	5,200	10	1,51,840
14.08.2009	Market Purchase	10,000	10	3,03,000
14.08.2009	Market Purchase	300	10	8,715
14.08.2009	Market Purchase	5,000	10	1,51,500
17.08.2009	Market Purchase	10,525	10	3,05,751
11.03.2010	Market Purchase	30,000	10	11,12,100
12.03.2010	Market Purchase	29,614	10	10,97,791
15.03.2010	Market Purchase	16,600	10	6,15,362
16.03.2010	Market Purchase	26,069	10	9,72,889
17.03.2010	Market Purchase	30,000	10	11,20,587
18.03.2010	Market Purchase	30,000	10	11,27,502
09.07.2011	Allotment by conversion of warrant	12,20,000	10	4,88,00,000
	Total no. of shares before sub division	19,89,016		
18.06.2018	After sub division of face value	99,45,080	2	
21.06.2019	Market Purchase	50,000	2	19,77,199
24.06.2019	Market Purchase	66,000	2	25,77,533
20.08.2019	Market Purchase	1,00,000	2	37,10,964
26.09.2019	Market Purchase	75,000	2	28,46,999
30.09.2019	Market Purchase	2,50,000	2	91,70,233
29.11.2019	Market Purchase	1,27,370	2	46,23,283
03.12.2019	Market Purchase	1,00,000	2	36,01,439
12.03.2020	Market Purchase	1,50,000	2	40,62,000
24.03.2020	Market Purchase	50,000	2	8,36,000
25.03.2020	Market Purchase	25,000	2	3,76,750
29.06.2020	Market Purchase	30,000	2	7,71,900
19.11.2020	Market Purchase	4,50,000	2	1,26,67,500
27.09.2021	Allotment	11,88,451	2	11,29,02,845
		1,26,06,901		

n. **Fabiola Farms & Dairy Products Private Limited:**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
25.04.1991	Allotment	20,000	10	2,00,000
10.05.1991	Allotment	10,000	10	1,00,000
08.08.1992	Allotment	33,500	10	3,35,000
31.03.2005	Less shares sold	(16,800)	10	1,68,000
	Total no. of shares before sub division	46,700		
18.06.2018	After sub division of face value	2,33,500	2	
		2,33,500		

o. Janus Infrastructure Projects Private Limited:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
30.07.2016	Allotment	27,00,000	10	12,15,00,000
18.06.2018	Total number of shares after sub-division of face value	1,35,00,000	2	
06.08.2019	Market Purchase	1,50,000	2	58,13,076
07.08.2019	Market Purchase	2,50,000	2	1,01,70,181
08.08.2019	Market Purchase	50,000	2	19,28,674
08.08.2019	Market Purchase	50,000	2	19,28,674
19.03.2020	Market Purchase	21,035	2	4,42,327
		1,40,21,035		

p. Fargo Estates Private Limited:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Consideration (₹)
30.07.2016	Allotment	16,00,000	10	7,20,00,000
18.06.2018	Total number of shares after sub-division of face value	80,00,000	2	
10.12.2018	Market Purchase	1,00,000	2	55,60,336
11.12.2018	Market Purchase	1,00,000	2	56,86,571
		82,00,000		

- 9.4. Assuming that the response to the Buyback is to the extent of 100% (full Acceptance) from all the Eligible Shareholders upto their Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post completion of the Buyback may change from 65.18% to 65.34%. Also, if none of the public shareholders participate and only the Promoter and Promoter Group participate to the extent of the Buyback Entitlement, their shareholding may change from 65.18% to 64.80% of the total equity share capital of the Company.
- 9.5. Assuming that the response to the Buyback is to the extent of 100% (full Acceptance) from all the Eligible Shareholders up to their Buyback Entitlement, the aggregate shareholding of the public and others post Buyback may change from 34.82% to 34.66%.
- 9.6. The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.7. Consequent to the Buyback and based on the number of Equity Shares bought back from Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of each such person shall undergo a change.
- 9.8. The debt-equity ratio following the Buyback, on standalone basis, will be compliant with the permissible limit of equal to 2:1 or less prescribed by the Companies Act even if the response to the Buyback is to the extent of 100% (full Acceptance) from all the Eligible Shareholders up to their Buyback Entitlement.

- 9.9. The Company believes that Buyback will not impact growth opportunities of the Company.
- 9.10. The Promoter and Promoter Group or their associates shall not deal in the Equity Shares of the Company including by way of inter-se transfer(s) of Equity Shares among the Promoter and Promoter Group during the period from the date of passing the resolution approving the Buyback by the Board of Directors of the Company till the closing of the Buyback Offer.
- 9.11. In compliance with the provisions of Section 68 of the Companies Act, 2013 and Regulation 24(f) of the Buyback Regulations, except in discharge of its subsisting obligations, the Company shall not raise further capital for a period of one year from the expiry of the Buyback period, or any circulars or notifications issued by SEBI in connection therewith.
- 9.12. The Company shall not issue any new Equity Shares or other specified securities, including by way of bonus till the date of expiry of the Buyback Period.
- 9.13. The Company is not undertaking the Buyback so as to delist its shares from the Stock Exchanges.
- 9.14. Salient financial parameters consequent to the Buyback based on the standalone audited financial statements as on March 31, 2021 are as under:

Parameters	Pre-Buyback	Post-Buyback ⁽⁹⁾
Net Worth (₹ in lakhs) ⁽¹⁾	68,976.87	63,026.87
Return on Net Worth (%) ⁽²⁾	24.04%	26.31%
Earnings Per Share - Basic (in ₹) ⁽³⁾⁽⁴⁾	7.51	7.65
Earnings Per Share - Diluted (in ₹) ⁽³⁾⁽⁴⁾	7.47	7.62
Book Value per Equity Share (in ₹) ⁽⁵⁾	31.24	29.10
P/E as per latest audited financial results ⁽⁶⁾⁽⁷⁾	17.08	16.76
Total Debt/Equity Ratio (in times) ⁽⁸⁾	0.85	0.93

1. Net Worth is excluding revaluation reserves and miscellaneous expenditure to the extent not written off. The post Buyback Net Worth is only adjusted for the Buyback Size of ₹ 5,950 Lakhs.
2. Return on Net Worth = Profit After Tax attributable to equity holders of the Company / Net Worth (excluding revaluation reserves).
3. Earnings per Share = Profit After Tax attributable to equity holders of the Company / Weighted Average Number of shares outstanding for the period.
4. Earnings per Share post buyback is computed after reducing proposed buyback shares from weighted average number of shares outstanding for the period.
5. Book value per Share = Net Worth (excluding Revaluation Reserves)/Number of shares at the end of the period.
6. P/E as per latest audited financial results = Market Value per share / Earnings per share
7. Market value has been taken as ₹128.25 (price on NSE as on March 23, 2022 for both pre and post buyback) for P/E ratio being the date of intimation of the Board Meeting for considering the Buyback.
8. Total Debt/ Equity Ratio = Total Debt / Net Worth (excluding revaluation reserves)
“Total Debt” includes non-current borrowings (including current maturities)
9. The post-Buyback numbers are calculated by reducing the net worth by the proposed Buyback amount (assuming full acceptance) without factoring in any impact in the statement of profit & loss due to reduction in cash.

10. BASIS OF CALCULATING THE BUYBACK PRICE

- 10.1.** The Equity Shares of the Company are proposed to be bought back at a price of ₹140/- (Rupees One Hundred and Forty Only) per Equity Share ("Buyback Price"). The said Buyback Price has been arrived at after considering various factors, including but not limited to the trends in the Volume Weighted Average Prices and closing price of the Equity Shares on NSE where the maximum volume of trading in the Equity Shares was recorded on the date of Intimation of Board Meeting for authorization of Buyback Offer and impact on other financial parameters and the possible impact of Buyback on the earnings per share.
- 10.1.1. The Buyback Price represents a premium of 9.16% over the closing market price of the Equity Shares as on the date of intimation of the Board Meeting i.e., March 23, 2022 for considering the Buyback.
- 10.1.2. The Buyback Price represents a premium of 14.61% over the average of Volume Weighted Average Price of the Equity Shares for two weeks preceding the date of intimation i.e., March 23, 2022 to the Stock Exchanges of the Board Meeting to consider the proposal of the Buyback.
- 10.1.3. The Buyback Price represents a premium of 17.68% over the average of Volume Weighted Average Price of the Equity Shares on the NSE for two months preceding the date of intimation i.e., March 23, 2022 to the Stock Exchanges of the Board Meeting to consider the proposal of the Buyback.
- 10.2.** For Financial ratios and trends in the market price of the Equity Shares please refer to clause 15 & 16 of this Letter of Offer respectively.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1.** Assuming that the response to the Buyback is to the extent of 100% (full Acceptance), the funds that would be utilized by the Company for the purpose of the Buyback would be upto ₹59,50,00,000 (Rupees Fifty Nine Crore and Fifty Lakh Only).
- 11.2.** The Buyback would be financed out of free reserves and securities premium account or such other sources as may be permitted by law through "Tender Offer" route and as required by the Buyback regulations and the Companies Act, and on such terms and conditions as the Board may deem fit.
- 11.3.** The Company confirms that the funds for the Buyback will be made available out of its internal accruals and not out of funds borrowed, if any, from banks and financial institutions.
- 11.4.** The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements.

12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- 12.1.** In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed IndusInd Bank Limited, as the escrow agent for the Buyback. The Company, the Manager to the Buyback Offer and the Escrow Agent have entered into an Escrow Agreement dated April 14, 2022, pursuant to which the Escrow Account in the name and style "**FIL BUYBACK 2022 - ESCROW ACCOUNT**" bearing account number "**253220365674**" opened with the Escrow

Agent. The Manager is empowered to operate the Escrow Account in accordance with the Buyback Regulations. The Company proposes to satisfy its obligations under Regulations 9(xi)(a) and (b) of the Buyback Regulations by either (a) depositing cash; (b) having a bank guarantee issued in favour of the Manager to the Buyback Offer; (c) depositing acceptable securities, with appropriate margin, in favour of the Manager to the Buyback Offer; or (d) a combination of (a), (b) or (c), on or before the Buyback Offer Opening Date.

- 12.2.** In accordance with Regulation 10 of the Buyback Regulations, the Company shall, immediately after the closure of the Tendering Period, deposit the amount of consideration payable to Eligible Shareholders in a special account opened with the Escrow Agent. Such consideration would be the aggregate of 90% of the amount lying in the Escrow Account and the balance amount payable to the Eligible Shareholders and will constitute the entire sum due and payable as consideration for the Buyback in terms of the Buyback Regulations.
- 12.3.** The Company has adequate and firm financial resources/funds to fulfil the obligations under the Buyback of upto 42,50,000 Equity Shares at a buyback price of ₹140/- each and the same has been certified by M/s Ashwani and Associates, Chartered Accountants, having its office at 103, Pratap Bhawan, Bahadur Shah Zafar Marg, New Delhi – 110002, Membership No.: 084205; Firm Registration No.: 000497N vide a certificate dated March 29, 2022.
- 12.4.** Based on the aforementioned certificate, the Manager to the Buyback Offer confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1.** The present capital structure of the Company is as follows:

(₹ In Lakhs)

Sr. No	Particulars	Pre-Buyback
1	Authorized Share Capital: 30,00,00,000 Equity Shares of ₹2 each	6,000.00
	Total	6,000.00
2	Issued, Subscribed and Paid-up Capital: 22,52,65,250 Equity Shares of ₹2/- each, fully paid	4,505.31
	Total	4,505.31

- 13.2.** Assuming full Acceptance in the Buyback, the capital structure of the Company post Buyback would be as follows:

(₹ In Lakhs)

Sr. No	Particulars	Post-Buyback
1	Authorized Share Capital: 30,00,00,000 Equity Shares of ₹2 each	6,000.00
	Total	6,000.00
2	Issued, Subscribed and Paid-up Capital: 22,10,15,250 Equity Shares of ₹2/- each, fully paid	4,420.31
	Total	4,420.31

- 13.3. Details of buyback programmes undertaken by the Company in the last three years:** The Company has not undertaken any buyback in last three years.
- 13.4.** There are no partly paid-up equity shares.
- 13.5.** There are no outstanding instruments convertible into Equity Shares as on date of this letter of offer.
- 13.6.** There are no amounts under calls in arrears.
- 13.7.** The pre-Buyback and post-Buyback shareholding pattern of the Company as on March 26, 2022, *the last weekly beneficiary position data furnished by the RTA/Depositories before the Board Meeting* is as follows:

Category of Shareholder	Pre-Buyback		Post Buyback ^(Note)	
	No. of Shares	% to the Equity Share capital	No. of Shares	% to the Equity Share capital
Promoter and Promoter Group	14,68,33,936	65.18	14,44,11,863	65.34
Foreign Investors (Including NRI, FII FPI, Foreign Mutual Funds, Foreign Nationals, Foreign Corporate Bodies)	1,59,97,069	7.10	7,66,03,387	34.66
Financial Institutions/ Banks/ Mutual Funds	15,455	0.01		
Others (Individuals, HUF, LLP, Bodies Corporate, Clearing Members, Trust, IEPF etc.)	6,24,18,790	27.71		
Total	22,52,65,250	100.00	22,10,15,250	100.00

Note: Assuming response to the Buyback is to the extent of 100% (full Acceptance) from all the Equity Shareholders of the Equity Shares up to their Buyback Entitlement.

- 13.8.** There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as of the date of this Letter of Offer.
- 13.9.** Assuming that the response to the Buyback is to the extent of 100% (full Acceptance) from all the Eligible Shareholders up to their Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may change from 65.18% prior to the Buyback to 65.34%.
- 13.10.** Aggregate shares purchased or sold by the Promoter and Promoter Group, persons in control, Directors of company which are a part of the Promoter and Promoter Group and Directors and Key Managerial Personnel of the Company during a period of twelve months preceding the date of Public Announcement, i.e., March 29, 2022:

- i. Aggregate of shares purchased or sold by the Promoter and Promoter Group and persons who are in control:

S. No.	Name	Aggregate No. of shares purchased /sold	Nature of transaction	Maximum price per share (₹)	Date of Maximum price	Minimum price per share (₹)	Date of Minimum price
1	Azimuth Investments Limited	13,00,918	Acquisition Pursuant to Preferential Allotment	95	September 27, 2021	95	September 27, 2021
2	Nouvelle Securities Private Limited	11,88,451					
3	Ms. Gunjan Bhageria	1,71,728					
4	Ms. Shefali Bhageria	69,702					
5	Ms. Vrinda Bhageria	69,201					

- ii. Aggregate shares purchased or sold by the Directors of companies which are part of the Promoter and Promoter Group:

S. No.	Name	Name of the Promoter Group Company	Aggregate No. of shares purchased /sold	Nature of transaction	Maximum price per share (₹)	Date of Maximum price	Minimum price per share (₹)	Date of minimum price
1	Mr. Bhola Dutt Bhatt	Azimuth Investments Limited	4,750	Acquisition	103.46	May 14, 2021	28.85	July 08, 2021
		Janus Infrastructure Projects Private Limited	2,150	Sale	104.94	May 19, 2021	93.08	November 26, 2021
2	Mr. Jitender Kumar	Azimuth Investments Limited, Janus Infrastructure Projects Private Limited and Fargo Estates Private Limited	1,000	Sale	136.40	January 14, 2022	84.45	April 29, 2021
3	Mr. Charley Jacob	SMC Yarns Private Limited	1,300	Sale	85.50	September 06, 2021	85.30	September 06, 2021

S. No.	Name	Name of the Promoter Group Company	Aggregate No. of shares purchased /sold	Nature of transaction	Maximum price per share (₹)	Date of Maximum price	Minimum price per share (₹)	Date of minimum price
4	Ms. Hemlata Agarwal	Fabiola Farms & Dairy Products Pvt. Ltd	74,800	Sale	109.10	June 11, 2021	101	May 07, 2021

- iii. Aggregate shares purchased or sold by the Directors and Key Managerial Personnel of the Company:

S. No.	Name	Aggregate No. of shares purchased /sold	Nature of transaction	Maximum price per share (₹)	Date of Maximum price	Minimum price per share (₹)	Date of minimum price
1	Mr. Ashok Chauhan	50,000	Acquisition	7.40	April 12, 2021	7.40	April 12, 2021
2	Mr. Raman Kumar Jha	27,500	Acquisition	28.85	July 08, 2021	7.40	April 12, 2021
		21,621	Sale	103.40	May 07, 2021	74.35	April 26, 2021

14. BRIEF INFORMATION OF THE COMPANY

14.1. History of the Company

Filatex India Limited is one of the leading manufacturers of polyester filament yarn in India, with a manufacturing capacity of 383,000 MT, offering a wide variety of products through integrated manufacturing operations. The Company forayed into manufacturing in 1994 with monofilament yarn, and in 1996, it diversified into multifilament polyester yarn. As on the date of this Letter of Offer, the product basket, offers polyester partially oriented yarn (“POY”), fully drawn yarn (“FDY”), air textured yarn (“ATY”), drawn textured yarn (“DTY”), polypropylene multifilament crimp yarns (“PPY”) in full range of coarse and fine deniers in all kinds of shades and varieties like bright, semi dull, black and dope dyed colours as well as polyester chips and narrow woven fabric.

Over the years, the Company has developed an extensive sales and distribution network across India. As of December 31, 2021, the distribution network with a pan-India presence included more than 100 distributors with whom the Company has developed strong business relationships over the years. The Company supplies its products to over 45 countries, in Europe, Africa, Americas, Australia, and Asia through a network of distributors, trader and agents etc in these jurisdictions. In Fiscal Year 2021 and in the nine months period ended December 31, 2021, revenue generated from sales outside India represented 12.12% and 10.47% of our revenue from operations, respectively. The Government of India has also recognized the Company as a 3-star export house.

The Company currently operates two manufacturing facilities one located at Dadra & Nagar Haveli (“Dadra Facility”) and the second one at Dahej, Gujarat (“Dahej Facility”). The Company manufactures polyester multifilament yarn, polypropylene multifilament yarn, and narrow woven fabrics at Dadra Facility and polyester multifilament yarn and polyester chips at Dahej Facility. The

Company has increased its production capacity from approximately 2,21,422 metric tonnes per annum in Fiscal Year 2018 to 3,83,000 metric tonnes per annum in Fiscal Year 2021 through brown-field expansion at our Dahej Facility. As on the date of this Letter of Offer, the Company manufactures approximately 39,600 metric tonnes per annum at the Dadra Facility and approximately 3,43,400 metric tonnes per annum at the Dahej Facility. The Company's manufacturing facilities have been accredited with several quality certifications such as management system certificates for compliance with ISO 18001:2019, ISO 45001: 2018 and BS OHSAS 18001:2007.

As a manufacturing company, the Company continuously monitors industry trends to ensure that its products continue to remain relevant and to help its customers meet evolving market demands. The Company's R&D activities are also aimed at improving existing processes and production cost efficiency and developing processes for environment friendly products. The Company operates one in-house R&D facility at Dahej Facility, which has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("DSIR"). The Company has initiated in-house research work on recycling of polyester waste in all forms. The demand for recycled polyester is increasing gradually in the international markets as there is greater focus about sustainability in the textile sector.

The Company is led by promoter Directors, Mr. Madhu Sudhan Bhageria, Chairman and Managing Director, Mr. Purrshottam Bhaggeria, Joint Managing Director and Mr. Madhav Bhageria, Joint Managing Director and Chief Financial Officer, each having over three decades of experience in the yarn manufacturing industry. The leadership team also consists of experienced professionals from various backgrounds and their capabilities are crucial for the Company in understanding and anticipating market trends, managing business operations and growth, leveraging customer relationships and responding to changes in customer preferences.

The promoters with over four decades of experience in marketing and manufacturing synthetic filament yarns give the Company a strong competitive edge. The Company also closely associated with its consumers of specialty filament yarns that allows it to manufacture new and innovative products as per their individual needs. The Company has marketing offices in all the major markets viz. Delhi, Mumbai, and Surat. All these marketing offices are headed by highly qualified marketing personnel having rich experience in the industry.

Driven by strong leadership, the Company is focused on increasing capacities, widening its reach, maximizing its efficiency, allocating capital effectively, and ensuring sustainability. The Company firmly believe that its diligent planning and strong execution capabilities sets it apart. From the day-to-day operation to long-term strategic vision, the Company's differentiator has always been its focus on better execution. These execution capabilities manifest in numerous forms, including quality enhancements that it undertakes, sustainability practices that it implements, and the social activities that it contributes to.

14.2. Growth of Business

On standalone basis, for the financial years ended March 31, 2021, March 31, 2020, and March 31, 2019, the Company recorded total income ₹ 2,23,660.74 Lakh, ₹ 2,79,448.95 Lakh and ₹ 2,88,588.53 Lakh respectively, and profit after tax of ₹ 16,583.32 Lakh, ₹12,147.04 Lakh and ₹8,484.60 Lakh respectively.

14.3. The details of changes in the share capital of the Company since incorporation are as follows:

Date	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of consideration	Type of Issue	Cumulative Number of Equity Shares	Cumulative Paid-up share capital (₹)
11.08.1990	70	10	10	Cash	Subscription to MOA	70	700
25.04.1991	116,000	10	10	Cash	Private Placement	116,070	1,160,700
10.05.1991	20,000	10	10	Cash		136,070	1,360,700
08.08.1992	711,000	10	10	Cash		847,070	8,470,700
25.11.1992	655,000	10	10	Cash		1,502,070	15,020,700
15.02.1993	497,970	10	10	Cash		2,000,040	20,000,400
16.11.1993	3,799,960	10	10	Cash	IPO	5,800,000	58,000,000
30.09.1994	1,417,000	10	45	Cash	Preferential Allotment	7,217,000	72,170,000
28.11.1994	2,083,000	10	45	Cash		9,300,000	93,000,000
31.07.2002	1,500,000	10	10	Cash		10,800,000	108,000,000
31.03.2004	500,000	10	25	Cash		11,300,000	113,000,000
31.03.2005	500,000	10	25	Cash		11,800,000	118,000,000
30.06.2005	500,000	10	25	Cash		12,300,000	123,000,000
18.09.2007	841,397	10	23.77	Cash		13,141,397	131,413,970
18.09.2007	4,000,000	10	25	Cash		17,141,397	171,413,970
09.07.2011	2,858,603	10	50	Cash		20,000,000	200,000,000
09.07.2011	4,000,000	10	40	Cash		24,000,000	240,000,000
12.02.2014	4,240,000	10	25	Cash	28,240,000	282,400,000	
04.08.2014	3,760,000	10	25	Cash	32,000,000	320,000,000	
30.07.2016	11,500,000	10	45	Cash	43,500,000	435,000,000	
After sub-division of face value from ₹ 10/- to ₹ 2/-	217,500,000					217,500,000	435,000,000
17.04.2019	2,185,000	2	7.40	Cash	ESOP	219,685,000	439,370,000
15.04.2020	1,133,000	2	7.40	Cash		220,818,000	441,636,000
12.04.2021	804,500	2	7.40	Cash		221,622,500	443,245,000
08.07.2021	842,750	2	28.85	Cash		222,465,250	444,930,500
27.09.2021	28,00,000	2	95	Cash	Preferential Allotment	22,52,65,250	450,530,500

14.4. The details of the Board of Directors as on date of Public Announcement, i.e., March 29, 2022 are as follows:

Name, Age, Qualification, Occupation of the Director	Designation	Date of Appointment /Reappointment	Directorships in Other Companies and Bodies Corporate
Mr. Madhu Sudhan Bhageria Age: 62 Years Qualification: BCom. Graduate Occupation: Business	Executive Director-Chairman & Managing Director	July 30, 2003	<ul style="list-style-type: none"> SMC Yarns Private Limited, Fargo Facilities Management Private Limited, Nectar Infrastructure Private Limited, Sparsh Property Private Limited,

Name, Age, Qualification, Occupation of the Director	Designation	Date of Appointment /Reappointment	Directorships in Other Companies and Bodies Corporate
			<ul style="list-style-type: none"> • Nouvelle Securities Private Limited, • Vrinda Farms Private Limited, • Fargo Developers & Infrastructure Private Limited, • Vantage Buildwell Private Limited, • Hill Estates Private Limited, • Dahej Energy Private Limited, • Texfil Private Limited • Azimuth Investments Limited,
<p>Mr. Purshottam Bhaggeria Age: 60 Years Qualification: MBA (Finance) Occupation: Business</p>	<p>Executive Director – Joint Managing Director</p>	<p>July 30, 2003</p>	<ul style="list-style-type: none"> • Nouvelle Securities Private Limited, • PHD Chamber of Commerce & Industry, • Fargo Developers & Infrastructure Private Limited, • Animate Infrastructure Private Limited, • Ardent Infrastructure & Developers Private Limited, • V.D. Estates Private Limited, • Helios Infrastructure and Projects Limited, • Sparsh Property Private Limited, • Vantage Buildwell Private Limited, • Elevate Developers Private Limited, • Maan Softech Private Limited, • Fargo Estates Private Limited, • Fargo Facilities Management Private Limited, • Blossom Infrastructure Private Limited • Texfil Private Limited • Cardiobionic India Private Limited
<p>Mr. Madhav Bhageria Age: 58 Years Qualification: B Com. Graduate Occupation: Business</p>	<p>Executive Director – Joint Managing Director & CFO</p>	<p>July 30, 2003</p>	<ul style="list-style-type: none"> • Fabiola Farms & Dairy Products Private Limited, • Shah Poddar Nihlani Organisers Private Limited, • Animate Infrastructure Private Limited, • Tapti Valley Education Foundation, • Dahej Energy Private Limited • Sunkon Energy Private Limited, • Abhiruchi Fashion Garments Private Limited, • Tosca Electronics Private Limited, • Sky Scraper Constructions and Developers Private Limited, • Gunjan Communications and Electronics Private Limited,

Name, Age, Qualification, Occupation of the Director	Designation	Date of Appointment /Reappointment	Directorships in Other Companies and Bodies Corporate
			<ul style="list-style-type: none"> • Galadiator Chemicals Private Limited, • Cardiobionic India Private Limited • Dabonaire Real Estate & Investments Private Limited,
<p>Mrs. Pallavi Joshi Bakhru Age: 54 Years Qualification: Chartered Accountant Occupation: Service</p>	Non-Executive - Independent Director	September 20, 2013	<ul style="list-style-type: none"> • Grant Thornton Advisory Pvt. Ltd. • Facor Power Limited, • Gabriel India Limited • Ferro Alloys Corporation Limited,
<p>Mr. Brij Behari Tandon Age: 80 Years Qualification: M.A., LLB, CAIIB Occupation: Retired IAS Officer</p>	Non-Executive - Independent Director	February 13, 2015	<ul style="list-style-type: none"> • Birla Corporation Limited • Exicom Tele-Systems Ltd., • Duncan Engineering Limited
<p>Mr. Suraj Parkash Setia Age: 80 Years Qualification: Graduate in Textile Engineering Occupation: Business</p>	Non-Executive - Independent Director	July 30, 2003	<ul style="list-style-type: none"> • S.P. Setia and Associates Private Limited, • RRA Textiles Pvt. Ltd. • Trident Group Limited, • Trident Industrial Corp Limited, • Green Globe Textiles Limited, • Rainbow Retail Limited, • Prismglass Ayurvedic Limited, • Prismglass Research Limited
<p>Mr. Swarup Chandra Parija Age: 81 Years Qualification: Master's degree in Political Science & MSc in Fiscal Studies Occupation: Retired govt. of India service. Worked as Chief Income Tax Commissioner, Director of I.T. Investigation, Director General of I.T., etc.</p>	Non-Executive - Independent Director	July 30, 2003	None
<p>Mr. Ashok Chauhan Age: 71 Years Qualification: Graduate in</p>	Executive Director-Wholetime Director	February 12, 2014	None

Name, Age, Qualification, Occupation of the Director	Designation	Date of Appointment /Reappointment	Directorships in Other Companies and Bodies Corporate
Mechanical Engineering, MBA Occupation: Service			

14.5. The details of changes in the Board of Directors during the three years preceding the date of the Public Announcement, i.e., March 29, 2022:

Mr. Madhu Sudhan Bhageria, Mr. Purrshottam Bhaggeria and Mr. Madhav Bhageria re-appointed for a period of three years w.e.f. July 30, 2019 and Mr. Ashok Chauhan re-appointed for a period of two years w.e.f. May 01, 2020.

14.6. The Buyback will not result in any benefit to the Promoter and Promoter Group or any Directors and Key Managerial Personnel of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as Equity Shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares, which will lead to reduction in the equity share capital of the Company post the Buyback.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1. The salient financial information of the Company as extracted from the standalone audited results for last three years being March 31, 2021, March 31, 2020, and March 31, 2019 and Unaudited standalone financial results for the nine months ended at December 31, 2021 prepared as per IND-AS, are as under:

(₹ in lakhs unless stated otherwise)

Particulars	Results for the 9 month period ended December 31, 2021 (Unaudited)	Year Ended		
		March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Total Income	2,76,037.72	2,23,660.74	2,79,448.95	2,88,588.53
Total Expenses (Excluding Interest and Depreciation)	2,35,259.32	1,87,980.68	2,55,994.31	2,65,758.04
Interest (Finance Cost)	2,741.88	5,880.99	6,129.39	5,470.35
Depreciation	4,704.46	5,836.01	5,126.55	4,497.39
Exceptional income [Profit/(Loss)]	164.09	-	-	234.22
Profit before tax	33,496.15	23,963.06	12,198.70	13,096.97
Provision for tax (including Deferred Tax)	11,078.99	7,379.74	51.66	4,612.37
Profit/ (Loss) after tax	22,417.16	16,583.32	12,147.04	8,484.60
Equity Share Capital	4,505.31	4,416.36	4,393.70	4,350.00
Reserves & Surplus (excluding revaluation reserve)	89,096.14	64,560.51	47,878.34	35,584.67
Net-worth	93,601.45	68,976.87	52,272.04	39,934.67

Debt (excluding working capital loans and including current maturities of long-term debt)	43,432.55	57,340.21	65,973.57	53,383.27
Total Debt (including working capital loans and current maturities of long-term debt)	44,376.93	58,609.15	71,726.40	60,401.09

15.2. Key Financial Ratios:

Particulars	Results for the 9 month period ended December 31, 2021 (Unaudited)	Year Ended		
		March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Earnings per Share-Basic (₹) ⁽¹⁾	10.04	7.51	5.53	3.90
Earnings per Share-Diluted (₹)	10.00	7.47	5.48	3.83
Book Value Per Share (₹) ⁽²⁾	41.55	31.24	23.79	18.36
Return on Net worth (%) ⁽³⁾	23.95%	24.04%	23.24%	21.25%
Debt-Equity Ratio (in times) ⁽⁴⁾	0.46	0.83	1.26	1.34
Total Debt/ Net-worth ⁽⁵⁾	0.47	0.85	1.37	1.51

Below are the formulae used for computation of the above ratios:

- (1) *Earnings per Share = Profit After Tax attributable to equity holders of the company / Weighted Average Number of Shares outstanding for the period*
- (2) *Book value per Share = Net Worth (excluding Revaluation Reserves) / Number of Shares at the end of the period*
- (3) *Return on Net Worth = Annualized Profit After Tax attributable to equity holders of the company / Net Worth (excluding revaluation reserves).*
- (4) *Debt-Equity Ratio = Total Debt / Net Worth (excluding revaluation reserves)*
- (5) *Total Debt/ Net Worth = Total Debt / Net Worth (excluding revaluation reserves)*
- (6) *Financial figures for period ended March 31, 2021 is audited for Standalone financial results.*

15.3. The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable.

15.4. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act and the applicable SCD Rules.

16. STOCK MARKET DATA

16.1. The Equity Shares are listed and traded on the National Stock Exchange of India Limited (the “NSE”) and BSE Limited (the “BSE”) (hereinafter, collectively, referred to as the “Stock Exchanges”).

16.2. The high, low and average market prices in preceding three years preceding the date of the Public Announcement, i.e., March 29, 2022 and the corresponding volumes on the BSE and NSE are as follows:

NSE

Period	High Price (₹)	Date of High Price	Volume	Low Price (₹)	Date of Low Price	Volume	Average Price (₹)	Total Volume Traded in the period (No. of Shares)
April 01, 2018 – June 26, 2018	228.00	April 30, 2018	3,05,224	160.10	April 12, 2018	10,77,347	191.35	1,02,98,344
June 27, 2018* – March 31, 2019	66.30	November 27, 2018	33,43,574	38.30	October 01, 2018	6,35,264	52.06	11,26,29,739
April 01, 2019 – March 31, 2020	58.20	April 13, 2019	8,63,456	15.05	March 25, 2020	7,24,971	40.58	8,06,80,511
April 01, 2020 – March 31, 2021	73.50	March 03, 2021	28,62,868	17.00	April 01, 2020	2,57,940	47.07	14,89,55,382

Source: www.nseindia.com

(*) Ex-date of Split on June 27, 2018.

Note: High and Low price for the period is based on intra-day prices and Average Price is based on total turnover and total number of shares traded in the relevant period.

BSE

Period	High Price (₹)	Date of High Price	Volume	Low Price (₹)	Date of Low Price	Volume	Average Price (₹)	Total Volume Traded in the period (No. of Shares)
April 01, 2018 – June 26, 2018	230.00	May 02, 2018	1,62,915	159.50	April 12, 2018	5,36,913	198.69	49,77,676
June 27, 2018* – March 31, 2019	66.45	November 27, 2018	22,31,898	38.80	October 01, 2018	2,58,045	52.28	5,14,34,567
April 01, 2019 – March 31, 2020	59.00	April 03, 2019	5,25,971	15.55	March 25, 2020	46,761	42.42	2,78,93,007

April 01, 2020 – March 31, 2021	73.35	March 03, 2021	1,71,513	17.00	April 01, 2020	20,072	47.80	1,79,25,094
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Source: www.bseindia.com

(*) Ex-date of Split on June 27, 2018.

Note: High and Low price for the period is based on intra-day prices and Average Price is based on total turnover and total number of shares traded in the relevant period.

16.3. The high, low and average market prices in preceding six months preceding the date of the Public Announcement, i.e., March 29, 2022 and the corresponding volumes on the BSE and NSE are as follows:

NSE

Period	High Price (₹)	Date of High Price	Volume	Low Price (₹)	Date of Low Price	Volume	Average Price (₹)	Total Volume Traded in the period (No. of Shares)
February 2022	129.35	February 09, 2022	16,29,587	101.00	February 24, 2022	13,82,838	120.46	2,41,88,936
January 2022	142.80	January 17, 2022	26,17,272	96.55	January 05, 2022	53,62,401	120.76	5,79,41,868
					January 04, 2022	8,50,644		
December 2021	104.00	December 21, 2021	1,45,97,059	72.35	December 21, 2021	1,45,97,059	91.36	3,88,00,218
November 2021	112.05	November 08, 2021	43,28,103	86.75	November 29, 2021	8,72,870	101.96	3,29,84,991
October 2021	127.50	October 12, 2021	71,42,944	95.40	October 29, 2021	33,24,648	112.75	6,31,99,929
September 2021	118.15	September 15, 2021	39,36,683	82.00	September 06, 2021	26,47,849	100.73	4,70,90,580

Source: www.nseindia.com

Note: High and Low price for the period is based on intra-day prices and Average Price is based on total turnover and total number of shares traded in the relevant period.

BSE

Period	High Price (₹)	Date of High Price	Volume	Low Price (₹)	Date of Low Price	Volume	Average Price (₹)	Total Volume Traded in the period (No. of Shares)
February 2022	129.80	February 10, 2022	87,518	101.15	February 24, 2022	2,14,184	119.89	26,36,827
January 2022	142.30	January 18, 2022	1,45,959	96.50	January 03, 2022	89,643	118.36	51,52,485
		January 17, 2022	1,01,291					

December 2021	103.90	December 21, 2021	20,89,663	72.50	December 21, 2021	20,89,663	90.82	42,62,181
November 2021	111.85	November 08, 2021	4,51,178	86.70	November 29, 2021	1,63,449	100.74	30,48,702
October 2021	127.50	October 12, 2021	2,42,305	95.50	October 29, 2021	1,30,420	112.01	36,68,315
September 2021	118.00	September 15, 2021	3,54,040	82.80	September 06, 2021	4,01,845	98.96	26,07,521

Source: www.bseindia.com

Note: High and Low price for the period is based on intra-day prices and Average Price is based on total turnover and total number of shares traded in the relevant period.

- 16.4.** Notice of the Board Meeting convened to consider the proposal of the Buyback was given to the NSE and BSE on March 23, 2022. The proposal for the Buyback was approved at the Board Meeting held on March 29, 2022 and Outcome of the Board Meeting was sent to the Stock Exchanges on the same day (i.e. March 29, 2022). The closing market prices of the Equity Shares on NSE and BSE, during this period, are summarised below.

Event	Date	NSE (₹)	BSE (₹)
1 (One) Trading Day Prior to the Notice of Board Meeting	March 22, 2022	125.75	125.55
Notice of the Board Meeting convened to consider the proposal of the Buyback	March 23, 2022	128.25	128.40
1 (One) Trading Day Post the Notice of Board Meeting	March 24, 2022	127.70	127.70
1 (One) Trading Day Prior to the Board Meeting	March 28, 2022	127.75	127.90
Board Meeting Date	March 29, 2022	126.80	126.75
1 (One) Trading Day Post-Board Meeting	March 30, 2022	125.05	125.10

17. DETAILS OF THE STATUTORY APPROVALS

- 17.1** The Buyback is subject to approvals, if any, required under the provisions of the Companies Act, the Buyback Regulations, and applicable rules and regulations as specified by RBI under FEMA and/or such other applicable rules and regulations for the time being in force.
- 17.2** Buyback from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Shareholders must obtain all approvals if required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI). It is the obligation of such Non-Resident Shareholders, NRI, OCB shareholders, to obtain such approvals (if required) and submit such approvals along with the Tender Form, so as to enable them to tender Equity Shares in the Buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to such Eligible Shareholders in respect of whom no prior RBI approval is required and the Company will not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.
- 17.3** By participating in the Buyback, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting(s), if required, including the form FC-TRS, if necessary and such Non-Resident

Shareholders undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

17.4 As of date of this Letter of Offer, there are no statutory or regulatory approvals required to implement the Buyback, other than as indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buyback will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory/regulatory approvals are delayed, changes to the proposed timetable of the Buyback, if any, shall be intimated to stock exchanges.

18. DETAILS OF THE REGISTRAR TO THE BUYBACK AND COLLECTION CENTRES

Eligible Shareholders who wish to tender their Equity Shares in the Buyback can send by registered post/speed post or hand deliver the Tender Form, TRS generated by the exchange bidding system along with all the relevant documents by super-scribing the envelope as “**FIL Buyback Offer 2022**”, to the Registrar at its office set out below so that the same are received by Monday, May 23, 2022:

MCS Share Transfer Agent Limited

Address: F-65, Okhla Industrial Area, Phase I, New Delhi, Delhi – 110020, India

Contact Person: Mr. Amarjit

Telephone: +91-11-41406148 **Fax:** 011-41709881

Email: admin@mcsregistrars.com

Website: www.mcsregistrars.com

SEBI Registration No.: INR000004108

Corporate Identity Number: U67120WB2011PLC165872

ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM ARE NOT REQUIRED TO SUBMIT THE TENDER FORM AND THE TRS.

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK OFFER.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

19.1. The Company proposes to Buyback upto 42,50,000 (Forty Two Lakh and Fifty thousand) fully paid-up Equity Shares from the Eligible Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer route at the Buyback Price, i.e., ₹ 140/- (Rupees One Hundred and Forty Only) per Equity Share, payable in cash for an aggregate amount of upto ₹59,50,00,000/- (Rupees Fifty Nine Crore and Fifty Lakh Only). The maximum number of Equity Shares proposed to be bought back represents 1.89% of the total existing paid-up equity shares of the Company. The Buyback is undertaken in accordance with Article 13 of the Articles, Sections 68, 69, 70 and 179 and all other applicable provisions of the Companies Act, applicable SCD Rules, the Management Rules and the Buyback Regulations and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board. The Buyback Size is 8.63% of the aggregate of the fully paid-up Equity Share Capital and free reserves of the Company as per the latest audited Financial Statements as at March 31, 2021 (the last audited balance sheet available as on the date of the Board Meeting approving the Buyback). The Board of Directors of the Company in their Board Meeting held on March 29, 2022 approved the Buyback of equity shares of the Company.

- 19.2.** The aggregate shareholding of the Promoter and Promoter Group as at the date of this Letter of Offer is 14,68,33,936 (Fourteen Crore Sixty Eight Lakh Thirty Three Thousand Nine Hundred and Thirty Six) Equity Shares which represents 65.18% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group have the option to participate in the Buyback. In this regard, the Promoter and Promoter group have expressed their intention vide their letters dated March 25, 2022 and March 28, 2022 to participate in the Buyback and may tender up to an aggregate maximum number of 14,40,33,936 Equity Shares or such lower number of shares in accordance with the provisions of the Buyback Regulations/terms of the Buyback. Please refer to paragraph 9.2 on page 17 of this Letter of Offer for details on participation by the Promoter and Promoter Group.
- 19.3.** Assuming Acceptance of all Equity Shares tendered in the Buyback from the Eligible Shareholders up to their respective Buyback Entitlement, the shareholding of the Promoter and Promoter Group after the completion of the Buyback may change from 65.18% to 65.34% of the post-Buyback total paid-up equity share capital of the Company. Also, if none of the public shareholders participate and only the Promoter and Promoter Group participate to the extent of the Buyback Entitlement, their shareholding may change from 65.18% to 64.80% of the total equity share capital of the Company.
- 19.4.** The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback or not and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.
- 19.5. Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**
- 19.5.1.** The Company has fixed **Friday, April 08, 2022** as the **Record Date** for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders. The same was intimated to the Stock Exchanges on March 29, 2022 i.e., on the same day of Board Meeting approving the Buyback of shares of the Company.
- 19.5.2.** The Equity Shares to be bought back as a part of this Buyback are divided into two categories:
- 19.5.2.1.** Reserved Category for Small Shareholders (“**Reserved Category**”); and
- 19.5.2.2.** General Category for all other Eligible Shareholders (“**General Category**”).
- 19.5.3.** As defined in the Buyback Regulations, Small Shareholder means a shareholder, who holds shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Two Lakh Rupees. As on the Record Date, the closing price on NSE and BSE was ₹ 130.40/- (Rupees One Hundred Thirty and Forty Paise Only) and ₹ 130.35/- (Rupees One Hundred Thirty and Thirty Five Paise Only), respectively. Accordingly, all Eligible Shareholders holding not more than 1,533 Equity Shares as on the Record Date, on the basis of closing price on NSE as on record date, being the stock exchange with highest trading volume, are classified as ‘Small Shareholders’ for the purpose of the Buyback.
- 19.5.4.** Based on the above definition, there are 44,160 Small Shareholders in the Company with aggregate shareholding of 62,63,747 Equity Shares as on the Record Date, which

constitutes 2.8345% of the outstanding number of Equity Shares of the Company and 147.38% of the maximum number of Equity Shares which the Company proposes to buy back as a part of this Buyback.

19.5.5. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be the higher of:

19.5.5.1. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e., 15% of 42,50,000 (Forty Two Lakh and Fifty Thousand) Equity Shares which is 6,37,500 (Six Lakh Thirty Seven Thousand and Five Hundred) Equity Shares; or

19.5.5.2. The number of Equity Shares entitled as per their shareholding as on the Record Date [i.e., $(62,63,747 / 22,10,15,250) \times 42,50,000$] which is 1,20,448 (Round Off) Equity Shares.

i. All the outstanding fully paid-up Equity Shares (including shares under lock-in) have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter and Promoter Group also intend to offer Equity Shares held by them in the Buyback.

ii. Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 6,37,500 (rounded off) fully paid-up Equity Shares have been reserved for Small Shareholders. Accordingly, General Category for all other Eligible Shareholders shall consist of 36,12,500 Equity Shares.

19.5.6. Based on the above Buyback Entitlements, the ratio of Buyback for both categories is as follows:

Category of Shareholders	Ratio of Buyback
Reserved category for Small Shareholders	23 Equity Shares out of every 226 fully paid-up Equity Shares held on the Record Date.
General category for all other Eligible Shareholders	8 Equity Shares out of every 485 fully paid-up Equity Shares held on the Record Date.

The ratio of Buyback indicated above is approximate and provides an indication of the Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for reserved category for Small Shareholders is 10.1776141341596% and for general category shareholders is 1.6495320582343%.

19.5.7. Illustration of Entitlement Ratio

19.5.7.1. For Small Shareholders – Eligible Shareholder holding 1000 Equity Shares will receive an entitlement of 101 Equity Shares (10.1776141341596% of 1000 Equity shares held on Record Date). The Company will accept 100% Equity Shares who have validly tendered their Equity Shares to the extent of their

Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less. Additional equity shares will be accepted based on proportionate basis as described in Paragraph 20 of this Letter of Offer.

19.5.7.2. For General Shareholders – Eligible Shareholder holding 10,000 Equity Shares will receive an entitlement of 164 Equity shares (1.6495320582343% of 10,000 Equity shares held on Record Date). The Company will accept 100% Equity Shares who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less. Additional equity shares will be accepted based on proportionate basis as described in Paragraph 20 of this Letter of Offer.

19.6. Fractional Entitlements:

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

19.6.2. On account of ignoring the fractional entitlement, those Small Shareholders who hold 9 or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered Additional Equity Shares.

19.7. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:

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

19.7.1.1. Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less; and

19.7.1.2. Post the Acceptance as described in paragraph 19.7.1.1 above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and one share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.

19.7.1.3. Post the Acceptance as described in paragraph 19.7.1.1 and 19.7.1.2 above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders

over and above their Buyback Entitlement, shall be Accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholder shall be made in accordance with the Buyback Regulations, i.e. valid Acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered in the Reserved Category and multiplied by the total pending number of Equity Shares to be Accepted in the Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom one Equity Share has been Accepted in accordance with paragraph 19.7.1.2 above, shall be reduced by one.

19.7.1.4. Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.7.1.3 above:

19.7.1.4.1. For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, the fraction would be rounded off to the next higher integer.

19.7.1.4.2. For any shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, the fraction shall be ignored.

19.8. Basis of Acceptance of Shares validly tendered in the General Category:

19.8.1. Subject to the provisions contained in this Letter of Offer, the Company will Accept the Equity Shares tendered in the Buyback by all other Eligible Shareholders in the General Category in the following order of priority:

19.8.1.1. Acceptance of 100% Equity Shares from other Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.

19.8.1.2. Post the Acceptance as described in paragraph 19.8.1.1 above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the other Eligible Shareholders over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per shareholder shall be made in accordance with the Buyback Regulations, i.e. valid Acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Shareholder divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in the General Category.

19.8.1.3. Adjustment for fractional results in case of proportionate Acceptance as described in paragraph 19.8.1.2 above:

19.8.1.3.1. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, the fraction would be rounded off to the next higher integer.

19.8.1.3.2. For any Eligible Shareholder if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, the fraction shall be ignored.

19.9. Basis of Acceptance of Equity Shares between Categories

19.9.1. In case there are any Equity Shares left to be bought back in one category (“Partially Filled Category”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, the Additional Equity Shares in the second category shall be Accepted proportionately, i.e. valid Acceptances per Eligible Shareholder shall be equal to the additional outstanding Equity Shares validly tendered by an Eligible Shareholder in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially Filled Category.

19.9.2. If the Partially Filled Category is the General Category, and the second category is the Reserved Category, for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been Accepted in accordance with paragraph 19.7.1.2 shall be reduced by one.

19.9.3. Adjustment for fractional results in case of proportionate Acceptance, as defined in paragraphs 19.9.1 and 19.9.2 above:

19.9.3.1. For any shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, the fraction would be rounded off to the next higher integer.

19.9.3.2. For any shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, the fraction shall be ignored.

19.10. For avoidance of doubt, it is clarified that:

19.10.1. the Eligible Shareholders are advised to tender Equity Shares from their respective demat accounts/ folios in which they are holding the Equity Shares as on the Record Date;

- 19.10.2.** the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- 19.10.3.** the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholders as on the Record Date; and
- 19.10.4.** the Equity Shares tendered by any Eligible Shareholders over and above the number of Equity Shares held by such Eligible Shareholders as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.
- 19.10.4.1.** The Equity Shares accepted under the Buyback, shall not exceed 42,50,000 (Forty Two Lakh and Fifty Thousand) Equity Shares OR ₹59,50,00,000/- (Rupees Fifty Nine Crore and Fifty Lakh Only), whichever is lower.
- 19.10.4.2.** In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Board or Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in Paragraph 19.7, 19.8, 19.9 and 19.10.

19.11. Clubbing of Entitlement

In accordance with Regulation 9(ix) of the Buyback Regulations, in order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or general) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical, the Company will club together the Equity Shares held in such cases. Similarly, in case of physical shareholders where PAN is not available, the Company will check the sequence of names of the joint holders and club together the Equity Shares held in such cases where the sequence of name of joint shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the Depositories.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

- 20.1.** The Buyback is open to all Eligible Shareholders and beneficial owners of the Company, holding Equity Shares either in dematerialized form or physical form as on the Record Date.
- 20.2.** The Company proposes to affect the Buyback through the Tender Offer route, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the

detailed disclosures as specified in the Buyback Regulations, will be dispatched to Eligible Shareholders.

- 20.3.** The Letter of Offer shall be dispatched through electronic modes to Eligible Shareholders who have registered their email Ids with the depositories/the Company and through physical mode by registered post/speed post/courier to Eligible Shareholders who have not registered their email Ids with the depositories/Company. An Eligible Shareholder may access the Letter of Offer, on the websites of the Company, the Registrar to the Buyback, the Stock Exchange(s) and the Manager to the Buyback Offer at www.filatex.com, www.mcsregistrars.com, www.nseindia.com, www.bseindia.com and www.corporateprofessionals.com, respectively. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.23 below. The Company shall accept all the Equity Shares validly tendered in the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- 20.4.** The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/sale of such shares. The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till such Equity Shares become transferable. *(As per the intent letters received from the promoter & promoter group, shareholding of Ms. Shefali Bhageria, Ms. Gunjan Bhageria, Ms. Vrinda Bhageria, Azimuth Investments Limited and Nouvelle Securities Private Limited are under lock-in, thus the Company do hereby confirm that it will not buyback any shares which are either under lock-in or are non-transferable.)*
- 20.5.** Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and **in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account.** In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback. The Board or Buyback Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 20.6. Eligible Shareholders' participation in Buyback is voluntary.**
- Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be Accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering Additional Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buyback entitlement for any Eligible Shareholder is not a round number, the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback. The Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of the procedure outlined herein.
- 20.7.** The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. In case the Eligible

Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.

- 20.8.** The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- 20.9.** As elaborated under paragraph 19.5 above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for all other Eligible Shareholders. The Buyback Entitlement of Eligible Shareholders in each category shall be calculated accordingly.
- 20.10.** Post acceptance of the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be Accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in the other category
- 20.11.** The Buyback shall be implemented using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circulars and following the procedure prescribed in the Companies Act, the SCD Rules and the Buyback Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.
- 20.12.** For implementation of the Buyback, the Company has appointed **SMC Global Securities Limited** as the registered broker to the Company (the “Company’s Broker”) to facilitate the process of tendering of Equity Shares through the stock exchange mechanism for the Buyback 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: SMC Global Securities Limited

Address: 11/6B, Shanti Chamber, Pusa Road, Delhi – 110005, India

Contact Person: Mr. Nishant Agarwal

Telephone Number: +91-11-30111333 **Ext.:** 7531

E-mail Id: nishant.ag@smcindiaonline.com

Website: www.smctradeonline.com

SEBI Registration Number: INZ000199438

Validity Period: Permanent

CIN: L74899DL1994PLC063609

- 20.13.** The Company will request NSE to provide a separate acquisition window (“Acquisition Window”) to facilitate placing of bid by Eligible Shareholders who wish to tender Equity Shares in the Buyback. The details of platform will be as specified by NSE from time to time. In the event, the Shareholder Broker(s) of any Eligible Shareholder is not registered with NSE as a trading member/stockbroker, then that Eligible Shareholder can approach any NSE registered stockbroker and can register themselves by using quick client code (‘UCC’) facility through the NSE registered stockholder (after submitting all details as may be required by such NSE registered stockbroker in compliance with applicable law).
- 20.14.** The Buyback from the eligible shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), Foreign portfolio investors, non-

resident Indians, members of foreign nationality, if any, shall be, subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/ provision by such Eligible Shareholders of such approvals, if an to extent necessary or required from concerned authorities including, but not limited to, approvals from Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.

- 20.15. The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Seller Member through which the Equity Shareholder places the bid.
- 20.16. Modification/cancellation of the orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by single shareholder Eligible shareholder for selling the Equity Shares shall be clubbed and considered as “one” bid for the purposes of acceptance.
- 20.17. The cumulative quantity tendered shall be made available on the website of NSE at www.nseindia.com, throughout the trading session and will be updated at specific intervals during the tendering period.
- 20.18. The Company will not accept Equity Shares tendered for Buyback which under restraint order of the court for transfer/sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.
- 20.19. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers (“Stock Brokers”) during normal trading hours of the secondary market. Stock Brokers can enter orders for demat shares as well as physical shares.
- 20.20. During the Tendering Period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Stock Brokers during normal trading hours of the secondary market.
- 20.21. Stock Brokers can enter orders for both Equity Shares in demat and physical form.
- 20.22. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.23. **Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialized form.**
 - 20.23.1. Eligible Shareholders who desire to tender their Equity Shares in electronic form under the Buyback would have to do so through their respective Stock Broker by indicating the details of Equity Shares they intend to tender under the Buyback.

- 20.23.2.** The Stock Broker 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 Stock Exchange.
- 20.23.3.** The lien shall be marked by the Seller Member in the demat account of the Shareholders for the shares tendered in the tender offer. Details of Shares marked as lien in the demat account of the Shareholder shall be provided by the Depositories to Clearing Corporation.
- 20.23.4.** In case, the Shareholders' Demat Account is held with one Depository and Clearing Member pool and Clearing Corporation Accounts held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter Depository Tender Offer ("IDT") instructions shall be initiated by the shareholders at source depository to Clearing Member/Clearing Corporation account at target depository. Source Depository shall block the shareholder's securities (i.e., transfer from free balance to blocked balance) and sends IDT message to target Depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.
- 20.23.5.** For Custodian Participant orders, from demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian participant. The custodian participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participants orders, order modification shall revoke the custodian participant confirmation and the revised order shall be sent to the custodian participant again for confirmation.
- 20.23.6.** Upon placing the bid, the Stock Broker shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of the order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered, etc.
- 20.23.7.** It is clarified that in case of dematerialized Equity Shares, non-receipt of the completed tender form and other documents, but if the lien is marked successfully in the depository system and a valid bid in the exchange bidding system, the bid for buyback shall be deemed to have been accepted.
- 20.23.8.** Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
- 20.23.8.1.** Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
 - 20.23.8.2.** Duly attested death certificate and succession certificate/legal heirship certificate, in case any Eligible Shareholder has expired; and
 - 20.23.8.3.** In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

20.23.8.4. IN CASE OF DEMAT EQUITY SHARES, SUBMISSION OF TENDER FORM AND TRS IS NOT REQUIRED. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Eligible Shareholders holding Equity Shares in demat form have successfully tendered the Equity Shares in the Buyback.

20.23.8.5. The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to pro-rated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the savings bank account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of shares by the Company.

20.24. Equity Shares held in the Physical form:

In accordance with the Frequently Asked Questions issued by SEBI, “FAQs - Tendering of physical shares in Buyback offer/ open offer/ exit offer/delisting” dated February 20, 2020, and SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/144 dated July 31, 2020, Eligible Shareholders holding Equity Shares in physical form can participate in the Buyback. The procedure is as below:

While shareholders holding equity shares in physical form are eligible to participate in the Buyback, they are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions in a convenient and effective manner.

20.24.1. Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Stock Brokers along with the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid share transfer form(s) (i.e., form SH-4) duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Shareholder’s PAN Card, and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of an Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, such Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhaar Card, Voter Identity Card or Passport.

20.24.2. Based on the documents mentioned in paragraph 20.21.1 above, the concerned Stock Broker shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Buyback using the acquisition window of the Stock Exchange. Upon placing the bid, the Stock Broker shall provide a TRS generated by the Stock Exchanges’ bidding system to the Eligible

Shareholder. The TRS will contain the details of the order submitted like Folio No., Certificate No., Distinctive Numbers, No. Of Equity Shares tendered, etc.

- 20.24.3.** The Stock Broker has to deliver the original share certificate(s) and documents (as mentioned in paragraph 20.21.1 above) along with TRS either by registered post or courier or hand delivery to the Registrar (at the address mentioned at paragraph 18 above or the collection centres of the Registrar details of which will be included in the Letter of Offer) within 2 (two) days of closure of the Tendering Period. The envelope should be super scribed as “**FIL Buyback Offer 2022**”. One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Stock Broker/ Eligible Shareholder.
- 20.24.4.** An Eligible Shareholder holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchange shall display such bids as ‘unconfirmed physical bids’. Once the Registrar confirms the bids, it will be treated as ‘confirmed bids’.
- 20.24.5.** All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) if there is any other company’s equity share certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) if the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) if the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s) or other relevant documents; or (iv) in case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar of the Company.
- 20.24.6.** In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date.
- 20.25. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 “Details of the Statutory Approvals”):**
- 20.25.1.** Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FPIs/FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- 20.25.2.** In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Shareholder shall obtain and enclose a letter from its authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the non-resident Eligible Shareholder from the appropriate account (e.g., NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Eligible Shareholder is not

in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted under the Buyback.

- 20.25.3.** If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected

THE NON-RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE SAME TO PARTICIPATE IN THE BUYBACK, SHALL NOT INVALIDATE THE BUYBACK OFFER IN ANY WAY.

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

- 20.26.1. In case the Equity Shares are in dematerialized form:** If Eligible Shareholder(s) who have been sent the Letter of Offer and the Tender Form through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the websites of the Company, the Registrar to the Buyback, the Stock Exchanges and the Manager to the Buyback Offer at www.filatex.com, www.mcsregistrars.com, www.nseindia.com, www.bseindia.com and www.corporateprofessionals.com, respectively, or by providing their application in writing on plain paper, signed by all Equity Shareholders, stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback.

- 20.26.2. In case the Equity Shares are in physical form:** Eligible Shareholder(s) have been sent the Letter of Offer and the Tender Form. An Eligible Shareholder may participate in the Buyback by providing their application in writing on plain paper signed by all Equity Shareholders stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Equity Shareholders' PAN card(s) and executed share transfer form in favour of the Company. The Letter of Offer, Tender Form and share transfer form SH-4 can be downloaded from the websites of the Company, the Registrar to the Buyback, the Stock Exchanges and the Manager to the Buyback Offer at www.filatex.com, www.mcsregistrars.com, www.nseindia.com, www.bseindia.com and www.corporateprofessionals.com, respectively. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.21.1 above), reach the Registrar on or before the Buyback Closing Date i.e. Monday, May 23, 2022 (by 5 PM). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the

specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback.

Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Stock Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Stock Broker or broker in the electronic platform to be made available by the Stock Exchange before the Buyback Closing Date.

The Company shall Accept Equity Shares validly tendered by Eligible Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback, before participating in the Buyback.

20.27. The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Equity Shareholders. The Company does not accept any responsibility for the decision of any Equity Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Equity Shareholders are advised to adequately safeguard their interest in this regard.

20.28. Method of Settlement

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

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

20.28.2. The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. The settlement of the fund obligation for Demat Shares shall be affected as per the SEBI circulars and as prescribed by NSE and Clearing Corporation from time to time. For Equity Shares accepted under Buyback, the Clearing Corporation's will make direct funds payout to the respective Shareholders. If the respective shareholder's bank account details are not available or if the fund transfers instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned seller broker settlement bank account for onward transfer to such respective Shareholders.

20.28.3. In case of Eligible Shareholder where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller broker settlement bank account for onward transfer to the Eligible Shareholders. For this purpose, the client type details would be collected from the Registrar to the Buyback.

20.28.4. Details in respect of Shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or the Registrar to the Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares

in the demat account of the shareholder. On settlement date, blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.

- 20.28.5.** In the case of Inter Depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source Depository will not be able to release the lien without a release of IDT message from Target Depository. Further, release of IDT message shall be sent by target Depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with Bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target Depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target Depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target Depository on settlement date.
- 20.28.6.** Any excess physical Equity Shares pursuant to proportionate Acceptance/rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares Accepted by the Company are less than the Equity Shares tendered in the Buyback by Equity Shareholders holding Equity Shares in the physical form.
- 20.28.7.** The Equity Shares bought back in demat form would be transferred directly to the special demat account of the Company opened for the Buyback ("Company Demat Account").
- 20.28.8.** Eligible Shareholders who intend to participate in the Buyback should consult their respective Stock Broker(s) for any cost, applicable taxes, charges and expenses (including brokerage, STT and stamp duty) etc., that may be levied by the Stock Broker(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders, in respect of Accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage, STT and stamp duty) and the Company accepts no responsibility to bear or pay such additional cost, additional taxes, charges and expenses (including brokerage, STT and stamp duty) incurred solely by the Eligible Shareholders.
- 20.28.9.** The Seller broker would issue a contract note & pay consideration for the Equity Shares accepted under the Buyback and will unblock the excess unaccepted Equity Shares. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- 20.28.10.** In case of certain shareholders viz., NRIs, non-residents, etc. (where there are any specific regulatory requirements pertaining to fund payout including those prescribed by RBI) who do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder brokers settlement accounts for releasing the same to such shareholder's account.

- 20.28.11.** The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.
- 20.29.** The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:
- 20.29.1.** The Equity Shareholder is not an Eligible Shareholder of the Company as on the Record Date;
 - 20.29.2.** There is a name mismatch in the dematerialized account of the Eligible Shareholder;
 - 20.29.3.** There exists any restraint order of a court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists;
 - 20.29.4.** The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Monday, May 23, 2022 (by 5 p.m. IST);
 - 20.29.5.** If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
 - 20.29.6.** If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
 - 20.29.7.** If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate or other relevant documents; or
 - 20.29.8.** In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

21. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS RELATING TO THE BUYBACK OF EQUITY SHARES AS LISTED ON THE STOCK EXCHANGE SET OUT IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

FINANCE (NO.2) ACT, 2019 HAS AMENDED THE PROVISIONS OF SECTION 115QA IN CHAPTER XII-DA OF THE INCOME TAX ACT, 1961 BY OMITTING THE WORDS “NOT BEING SHARES LISTED ON A RECOGNISED STOCK EXCHANGE”. THE EFFECT OF THIS OMISSION IS THAT THE PROVISIONS OF SECTION 115QA RELATING TO THE BUY BACK OF THE SHARES, WHICH WERE HITHERTO NOT APPLICABLE TO THE BUY BACK OF SHARES WHICH WERE LISTED ON A RECOGNISED STOCK EXCHANGE, HAVE NOW BECOME APPLICABLE EVEN TO THE BUY BACK OF SHARES LISTED ON A RECOGNISED STOCK EXCHANGE. SECTION 115QA HAS BEEN FURTHER AMENDED BY TAXATION LAWS (AMENDMENT) ACT, 2019 TO STATE THAT THE PROVISIONS OF SECTION 115QA ARE APPLICABLE IN RESPECT

OF ALL THE BUY BACK OF SHARES LISTED ON A RECOGNISED STOCK EXCHANGE WHOSE PUBLIC ANNOUNCEMENT HAS BEEN MADE ON OR AFTER JULY 5, 2019.

IN VIEW OF THE PARTICULARIZED NATURE OF TAX CONSEQUENCES OF A BUYBACK TRANSACTION, ELIGIBLE SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND THERE CAN BE NO LIABILITY ON THE COMPANY IF ANY ACTION IS TAKEN BY THE SHAREHOLDER SOLELY BASED ON THIS TAX SUMMARY.

THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

GENERAL

- (1) The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (the "Income Tax Act" or the "Act").
- (2) A person who qualifies as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the Company's shares would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act. Further, the non-resident can avail themselves of the beneficial provisions of the Double Taxation Avoidance Agreement ("DTAA") between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- (3) The summary of tax implications on the buyback of equity shares listed on the stock exchange in India is set out below. All references to equity shares in this note refer to equity shares listed on the stock exchange in India unless stated otherwise.
- (4) Income tax provisions in respect of buyback of equity shares listed on the recognized stock exchange (for buyback where public announcement has been made on or after July 5, 2019) considering relevant amendments under the Finance (No. 2) Act, 2019 and Taxation Laws (Amendment) Act, 2019.
 - a. Section 115QA of the Act, introduced with effect from June 1, 2013, contains provisions for taxation of a domestic company in respect of buy-back of shares. The Section provides for the

levy of additional income tax at the rate of twenty per cent (as increased by surcharge and Health and Education cess, as applicable) of the distributed income on account of buyback of shares of all domestic Indian companies including listed companies, i.e., companies whose shares are listed on a recognized stock exchange. Before the enactment of Finance (No. 2) Act, 2019, this section was not applicable to shares listed on a recognized stock exchange. The Finance (No. 2) Act, 2019 has amended section 115QA with effect from July 5, 2019, extending its provisions to cover distributed income on buyback of equity shares of a company listed on a recognized stock exchange as well whose public announcement has been made on or after July 5, 2019.

- b. The tax is chargeable on distributed income which is defined under section 115QA to mean the consideration paid by the company on buyback of shares as reduced by the amount which was received by the company for issue of such shares. Such tax on distributed income is to be discharged by the company as per the procedure laid down in section 115QA read with any applicable rules framed thereunder. Buyback Tax does not form part of the Buyback Size and will be appropriated out of free reserves of the company.
- c. The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit therefor is allowable to the company or to any other person in respect of the amount of tax so paid.
- d. No deduction under any other provision of the Act shall be allowed to the company or a shareholder in respect of the income which has been charged to tax on the distributed income under section 115QA.
- e. As additional income-tax has been levied on the company under Section 115QA of the Act, the consequential income arising in the hands of shareholders has been exempted from tax under section 10(34A) of the Act. Accordingly, any income arising in the hands of shareholder (whether resident or non-resident) on account of buyback of shares shall be exempt from any additional tax in India irrespective of the characterisation of the shares, i.e. whether long term or short term or held as investment or stock-in-trade.

RATE OF SURCHARGE AND CESS

The Finance Act, 2020 provided that the applicable Surcharge and Health and Education Cess leviable on a Buyback transaction in all circumstances would be 12% and 4% respectively.

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES.

The summary of the tax considerations as above is based on the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR WITH RESPECT TO THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PARTICIPATING IN THE BUYBACK.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations:

- 22.1.** The Board of Directors confirms that there are no defaults subsisting in repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payment thereon to any financial institutions or banking company.
- 22.2.** The Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:
- i. immediately following the date of the Board Meeting held on March 29, 2022 wherein the Buyback was approved by the Board of Directors, there will be no grounds on which the Company can be found unable to pay its debts;
 - ii. as regards the Company's prospects for the year immediately following the date of the Board meeting held on March 29, 2022 approving the Buyback and having regards to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting i.e. March 29, 2021 approving the Buyback;
 - iii. In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

For and on behalf of the Board of Directors of **Filatex India Limited**

Sd/-

Madhu Sudhan Bhageria
Chairman & Managing Director
(DIN: 00021934)

Sd/-

Madhav Bhageria
Joint Managing Director & CFO
(DIN: 00021953)

23. AUDITORS CERTIFICATE

The text of the Report dated March 29, 2022 of **M/s Arun K Gupta & Associates**, Chartered Accountants (Firm Registration No. 000605N) and **M/s R N Marwah & Co LLP**, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

To

The Board of Directors

Filatex India Limited,

S. No 274, Demni Road, Dadra, Dadra & Nagar Haveli – 396193

Dear Sirs,

Subject: Report on Buyback of Equity Shares pursuant to the requirement of Schedule I to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (the "SEBI Buyback Regulations")

In connection with the proposed Buy-back of Equity Shares by Filatex India Limited ('the Company') which has been approved by the Board of Directors at its Meeting held on March 29, 2022 in pursuance of the provisions of Section 68 of the Companies Act, 2013 ('the Act') and the SEBI Buyback Regulations, as amended and based on the information and explanations given to us which were to the best of our knowledge and belief necessary for this purpose, we report that:

1. We have inquired into the state of affairs of the Company in relation to its audited financial statements for the year ended **March 31, 2021** which were audited by us and approved by the Board of Directors of the Company at their meeting held on **April 22, 2021**.
2. The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the table below is properly determined in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company for the year ended **March 31, 2021**.

Particulars	Amount (₹ in lakhs)	
		Standalone* As on 31/03/2021
Paid-up Share Capital (22,08,18,000 Equity Shares of ₹ 2 each)	A	4,416.36
Free Reserves		
Retained Earnings excluding Revaluation Reserve		54,228.19
Securities Premium		9,913.47
General Reserves		418.85
Total Free Reserves as per Section 2(43) and Explanation II to Section 68 of Act	B	64,560.51
Total Paid up Share Capital & Free Reserves	A+B	68,976.87
Maximum Permissible amount for buyback with the Board Approval is 10% of the total paid up share capital and free reserves under Section 68 (2) of the Companies Act, 2013)		6,897.69

*Company is not required to prepare Consolidated Financial Statements as there are no subsidiary and associate companies as on **March 31, 2021**.

3. The Board of Directors of the Company, in their meeting held on March 29, 2022 have formed their opinion as specified in clause (x) of Schedule I to the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended, on reasonable grounds, that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution.

This report has been issued at the request of the Company solely for use of the Company in relation to filing information with the Public Announcement as per requirements of Schedule II of SEBI (Buyback of Securities) Regulation, 2018 and in connection with the proposed buyback of equity shares of the Company in pursuance of the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013

and the SEBI Buyback Regulations, as amended and may not be suitable for any other purpose. Any legal or financial liability on us due to our responsibility is limited up to the amount of fees paid to us.

For R N MARWAH & Co LLP

Chartered Accountants
Firm Registration No.:001211N/N500019
Sunil Narwal
Partner
Membership No.:511190
UDIN: 22511190AFVQFH3807
Place: Gurugram
Date: 29-03-2022

For ARUN K GUPTA & ASSOCIATES

Chartered Accountants
Firm Registration No.: 000605N
Gireesh Kumar Goenka
Partner
Membership No.: 096655
UDIN: 22096655AFVMYR7043
Place: Dahej
Date: 29-03-2022

Unquote

24. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Filatex India Limited at the Corporate Office: Bhageria House 43, Community Centre, New Friends Colony, New Delhi – 110025 from 10.00 a.m. to 5.00 p.m. on any day, except Saturdays, Sundays and public holidays, during the Tendering Period.

- i.** Certificate of Incorporation of the Company.
- ii.** Memorandum and Articles of Association of the Company.
- iii.** Annual reports of the Company for the last three financial years i.e., March 31, 2019, March 31, 2020 and March 3, 2021;
- iv.** Limited Review unaudited financials for the nine months ended December 31, 2021
- v.** Copy of resolution passed by the Board of Directors at their meeting held on March 29, 2022 approving the proposal of the Buyback.
- vi.** Certificate dated March 29, 2022 received from M/s Arun K Gupta & Associates, Chartered Accountants (Firm Registration No. 000605N) and M/s R N Marwah & Co LLP, the Statutory Auditors of the Company in terms of clause (xi) of Schedule I of the Buyback Regulations.
- vii.** Copy of Public Announcement dated March 29, 2022, published in the newspapers on March 31, 2022, regarding the Buyback.
- viii.** Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 of the SCD Rules.
- ix.** Certificate dated March 29, 2022 of M/s. Ashwani & Associates, Chartered Accountants, confirming that the Company has adequate funds for fulfilling the obligations under the Buyback in accordance with the Regulations.
- x.** Copy of Escrow Agreement dated April 14, 2022 between Filatex India Limited, IndusInd Bank Limited and Corporate Professionals Capital Private Limited.
- xi.** Confirmation mail by the Escrow Bank dated April 20, 2022, that the Escrow Account has been opened.
- xii.** Confirmation mail by the Escrow Bank dated May 2, 2022 that Escrow Amount has been duly deposited as per Regulation 9 of the Buy Back Regulation.
- xiii.** SEBI comments vide letter dated April 27, 2022 issued in terms of the Buyback Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

Mr. Raman Kumar Jha

Company Secretary & Compliance Officer
Filatex India Limited

Address: Bhageria House 43, Community Centre,
New Friends Colony, New Delhi – 110025

E-mail: secretarial@filatex.com

Telephone: 011-26312503, 26848633/44;

Fax: 011-26849915

Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e., from 10.00 a.m. to 5.00 p.m. IST on all Working Days except Saturday, Sunday and public holidays.

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

26.1. In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, demat credit, etc.), the investor can approach the Compliance Officer of the Manager to the Buyback Offer and/or Registrar to the Buyback and/or Compliance Officer of the Company for redressal.

26.2. If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made thereunder, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as the case may be.

26.3. The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Ahmedabad

Address: ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013, Gujarat, India

Phone: 079-27438531

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the Equity Shareholders may contact the Registrar of the Company or the Investor Relations team of the Company, on any day except Saturday, Sunday and Public holidays between 10.00 a.m. and 5.00 p.m. at the following address:

Registrar of the Company

MCS Share Transfer Agent Limited

Address: F-65, Okhla Industrial Area Phase-I,
New Delhi- 110020

Contact Person: Mr. Amarjit

Telephone: 011-41406148, **Fax:** 011-41709881

Email: admin@mcsregistrars.com

Website: www.mcsregistrar.com

SEBI Registration No. : INR000004108

CIN : U67120WB2011PLC165872

Company Investor Relations:

Mr. Raman Kumar Jha

Company Secretary & Compliance Officer
Address: Bhageria House 43, Community
Centre,

New Friends Colony, New Delhi – 110025

E-mail: secretarial@filatex.com

Telephone: 011-26312503, 26848633/44; **Fax:**
011-26849915

28. DETAILS OF THE MANAGER TO THE BUYBACK OFFER



Corporate Professionals Capital Private Limited
D-28, South Extension Part-1, New Delhi-110049, India
Tel: 011-40622230/40622251/40622209;
Email: mb@indiacp.com
Website: www.corporateprofessionals.com
Contact person: Ms. Anjali Aggarwal
SEBI Registration No.: INM000011435
CIN: U74899DL2000PTC104508

29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THIS LETTER OF OFFER

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors accept full responsibility for the information contained in this 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 of Directors on March 29, 2022.

For and on behalf of the Board of Directors of Filatex India Limited

Sd/-
Madhu Sudhan Bhageria
Chairman & Managing Director
(DIN: 00021934)

Sd/-
Madhav Bhageria
Joint Managing Director & CFO
(DIN: 00021953)

Sd/-
Raman Kumar Jha
Company Secretary &
Compliance Officer
(Membership No. F8086)

Place: New Delhi

Date: April 29, 2022

30. OFFER FORM

1. Tender Form for Demat Shareholders
2. Tender Form for Physical Shareholders
3. Form SH-4 for Physical shareholders.