

December 21, 2022

To,  
**BSE Limited**  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai-400 001

To,  
**The Manager - Corporate Compliance**  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai- 400 051

Dear Sir/Madam,

**Sub: Filing of Public Announcement and Special Resolution for Buyback of Equity Shares of Tips Limited pursuant to the provisions of Regulation 7(i) and 5(vii) of SEBI (Buy Back of Securities) Regulations, 2018, as amended ("Buyback Regulations")**

With reference to the captioned matter, please find enclosed herewith the Certified True Copy of the Special Resolution passed by the Shareholders of the Company at their General Meeting held on December 17, 2022 for the proposed Buyback up to 1,26,000 (One Lakh Twenty Six Thousand) fully paid-up equity shares of ₹10/- (Rupees Ten only) each of the Company ("**Equity Shares**") representing up to 0.97% of the total number of Equity Shares of the issued and paid-up Equity Share capital of the Company at a price of ₹2,600/- (Rupees Two Thousand Six Hundred only) per Equity Share ("**Buyback Price**") payable in cash for an aggregate amount of up to Rs. 32,76,00,000/- (Rupees Thirty Two Thousand Seventy Six Hundred only) ("**Buyback Size**") which is up to which is up to 24.59% of the aggregate fully paid-up Equity Share capital and free reserves as per the latest available audited financial statements for the period ended September 30, 2022 (the "**Audited Financial Statements**"), on a proportionate basis through the "tender offer" route as prescribed under the Buyback Regulations, from all of the shareholders who hold Equity Shares as of the record date i.e. Friday, December 30, 2022 ("**Record Date**") ("**Buyback**") and the Buyback Size does not include transaction costs viz. brokerage, applicable taxes inter- alia including Buyback taxes, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc.

Please find enclosed herewith a copy of the Public Announcement dated December 20, 2022 for Buyback of the Company, published on December 21, 2022 in in below mentioned newspapers:

- 1) Business Standard (an English daily newspaper)
- 2) Business Standard (a hindi daily newspaper)
- 3) Mumbai Lakshadeep (Marathi newspaper with wide circulation in Mumbai, Maharashtra. Maharashtra being the state where our Registered Office is situated)

Kindly receive the same in order and take the same on records.

Thanking you,

Yours faithfully,

**For Inga Ventures Private Limited**



**Name:** Kavita Shah

**Designation:** Partner

**Email:** [kavita@ingaventures.com](mailto:kavita@ingaventures.com)







# TIPS INDUSTRIES LIMITED

CIN: L92120MH1996PLC099359

Registered Office: 601, Durga Chambers, 6th Floor, 278/E, Linking Road, Khar (West), Mumbai – 400052, Maharashtra, India.  
Tel: 6643 1188 Fax: 6643 1189 Email: Info@tips.in Website: www.tips.in  
Contact Person: Bijal Patel, Company Secretary & Compliance Officer

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

This Public Announcement (the "Public Announcement/ "PA") is being made pursuant to the provisions of Regulation 7(I) of the Buyback Regulations and contains the disclosures as specified in Schedule II read with Schedule I of the Buyback Regulations.

OFFER FOR BUYBACK OF UP TO 1,26,000 (ONE LAKH TWENTY SIX THOUSAND) FULLY PAID UP EQUITY SHARES OF THE TIPS INDUSTRIES LIMITED ("COMPANY") OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH ("EQUITY SHARES") AT A PRICE OF ₹2,600/- (RUPEES TWO THOUSAND SIX HUNDRED ONLY) PER FULLY PAID UP EQUITY SHARE IN CASH ON A PROPORTIONATE BASIS FROM ALL EXISTING MEMBERS HOLDING EQUITY SHARES OF THE COMPANY THROUGH THE TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM.

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to 2 (two) decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row

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

1.1. The board of directors of the Company (hereinafter referred to as the "Board", which expression shall include any committee constituted and authorized by the Board to exercise its powers), at their meeting held on November 9, 2022 (the "Board Meeting") has, subject to the approval of the shareholders of the Company by way of a special resolution, pursuant to the provisions of Article 6 of the Articles of Association of the Company, Sections 68, 69, 70, 108, 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended ("Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 ("Management Rules") to the extent applicable, and in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), the Buyback Regulations and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the buyback by the Company of up to 1,26,000 (One Lakh Twenty Six Thousand) fully paid up Equity Shares of ₹10/- (Rupees Ten only) representing up to 0.97% of the total issued and paid-up Equity Share capital of the Company at a price of ₹2,600/- (Rupees Two Thousand Six Hundred only) per Equity Share ("Buyback Price") payable in cash for an aggregate amount of up to ₹32,76,00,000/- (Rupees Thirty Two Crores Seventy Six Lakhs Only) excluding Transaction Cost (defined below) ("Buyback Size"), which is 24.59% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited financial statement of the Company for the period ended September 30, 2022, being the latest audited financial statement available (the "Audited Financial Statements"), on a proportionate basis through the "tender offer" route as prescribed under Regulation 4(iv)(a) of the Buyback Regulations, from all the shareholders of the Company who hold Equity Shares as of Friday, December 30, 2022, ("Record Date") ("Buyback")

1.2. Since the buyback is more than 10% of the total paid up equity capital and free reserve of the Company, in terms of section 68(2)(b) of the Companies Act, the Board has sought the approval from the shareholders of the Company, by way of a special resolution, pursuant to the postal ballot notice dated November 9, 2022 ("Postal Ballot Notice"). The shareholders of the Company approved the Buyback on December 17, 2022 ("Shareholders' Resolution Date") through a special resolution passed by way of Postal Ballot by voting through electronic means, the results of which were announced on December 19, 2022 ("Shareholders' Approval")

1.3. The Buyback Size does not include any transaction costs viz. brokerage, applicable taxes inter - alia including Buyback taxes, 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. ("Transaction Cost").

1.4. The Equity Shares are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (hereinafter together referred to as the "Stock Exchanges").

1.5. The Buyback shall be undertaken on a proportionate basis from the equity shareholders of the Company as on the Record Date, December 30, 2022 ("Eligible Shareholders") through the tender offer route prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in its circular bearing reference number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circular bearing reference number CFD/DCR/ CIR/P/2016/131 dated December 9, 2016 and SEBI circular SEBI/HO/CFD/DCR-III/ CIR/P/2021/615 dated August 13, 2021, including all amendments and statutory modifications for the time being in force ("SEBI Circulars") or such mechanism as may be applicable. In this regard, the Company will request BSE to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback.

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

1.7. All the shareholders of the Company will be eligible to participate in the Buyback including: Promoters and Promoter Group of the Company (defined below) (including such persons acting in concert) and their associates who hold Equity Shares as of the record date.

1.8. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the members of the Promoter and Person in Control in the Company may increase or decrease from their existing shareholding in the total equity capital and voting rights of the Company. Pursuant to the completion of the Buyback, the public shareholding of the Company may fall below the minimum level required as per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. However, the Company undertakes to achieve minimum level of public shareholding as specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 ("SCRR") within the time and in the manner as prescribed under the SCRR and the LODR Regulations. Any change in voting rights of the promoter and Person in Control of the Company pursuant to completion of Buyback will not result in any change in control over the Company.

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

1.10. A copy of this Public Announcement is available on the website of the Company at <https://tips.in/> and is expected to be available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) during the period of Buyback and on the website of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

### 2. NECESSITY OF THE BUYBACK

2.1. The Buyback is being undertaken by the Company after taking into account the operational and strategic cash requirements of the Company in the medium term and for returning surplus funds to the members in an effective and efficient manner. The Buyback is being proposed by the Company to service the equity more efficiently. Additionally, the Company's management strives to increase equity shareholders value and the Buyback would result in amongst other things:

2.2. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares;

2.3. The Buyback is generally expected to improve return on equity through distribution of cash and improve earnings per share by reduction in the equity base, thereby leading to long term increase in shareholders' value;

2.4. The Buyback gives an option to the shareholders holding Equity Shares of the Company, either to sell their Equity Shares and receive cash or not to sell their Equity Shares and get a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment; and

2.5. The Buyback, which is being implemented through the tender offer as prescribed under the Buyback Regulations, would involve minimum reservation of 15% for Small Shareholders and allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the Small Shareholders. The Company believes that this reservation for Small Shareholders would benefit a large number of public shareholders, who would get classified as Small Shareholder.

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

3.1. The Company proposes to Buyback up to 1,26,000 (One Lakh Twenty-Six Thousand) fully paid-up Equity Shares of face value of ₹10/- (Rupees Ten only) each

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

4.1. The maximum amount required for Buyback will not exceed ₹32,76,00,000/- (Rupees Thirty-Two Crores Seventy-Six Lakhs only), excluding Transaction Costs viz.

brokerage, applicable taxes inter alia including Buyback taxes, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc.

4.2. The maximum amount mentioned aforesaid is 24.59% of the aggregate of the fully paid-up equity share capital and free reserves as per the Audited Financial Statement of the Company which is within the prescribed limit of 25%. The Company does not have any subsidiary, joint venture or associates, hence does not prepare any consolidated financial statements.

4.3. The funds for the implementation of the proposed buyback will be sourced out of the free reserves of the Company or such other source as may be permitted by the Buyback Regulations or the Companies Act. Borrowed funds from banks and financial institutions, if any, will not be used for Buyback.

### 5. BUYBACK PRICE AND BASIS OF DETERMINING THE BUYBACK PRICE

5.1. The Equity Shares of the Company are proposed to be bought back at a price of ₹2,600/- (Rupees Two Thousand Six Hundred only) per Equity Share.

5.2. The Buyback Price of ₹2,600/- (Rupees Two Thousand Six Hundred only) per Equity Share has been arrived at after considering various factors including, but not limited to, trend in the volume weighted average price of the Equity Shares and closing price of the Equity Shares on the BSE and NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded), price earnings ratio, impact on other financial parameters and possible impact of Buyback on the earnings per share.

5.3. The Buyback Price represents:

a) Premium of 40.25% and 39.04% over the closing price of the Equity Shares on BSE and NSE, respectively, as on November 03, 2022 being the date on which the Company intimated to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.

b) Premium of 48.10% and 49.49% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, during the 2 (two) weeks preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.

c) Premium of 56.71% and 57.42% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, during the 30 (thirty) trading days preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.

d) Premium of 61.32% and 60.69% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, during the 60 (sixty) trading days preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.

5.4. The closing market price of the Equity Shares as on the date of the intimation of the Board Meeting i.e. November 3, 2022 was ₹1,853.80/- on BSE and ₹1869.90/- on NSE.

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

### 6. DETAILS OF HOLDING AND TRANSACTIONS IN THE SHARES OF THE COMPANY

6.1. The aggregate shareholding of the (i) promoter and promoter group of the Company ("Promoters 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 Board Meeting and the Postal Ballot Notice, i.e., November 9, 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 Board Meeting and the date of the Postal Ballot Notice, i.e., November 9, 2022:

Sr. No.	Name of the Shareholder	Category	No. of Equity Shares held	% of shareholding
1.	Mr. Kumar S. Taurani	Promoter	26,29,800	20.28
2.	Mr. Ramesh S. Taurani	Promoter	26,24,283	20.24
3.	Mrs. Renu K. Taurani	Promoter	10,26,128	7.91
4.	Mrs. Varsha R. Taurani	Promoter	7,31,641	5.64
5.	Mr. Shyam M. Lakhani	Promoter	11,500	0.09
6.	Mr. Girish K. Taurani	Promoter Group	6,00,000	4.63
7.	Mr. Kunal K. Taurani	Promoter Group	6,00,000	4.63
8.	Ms. Jaya R. Taurani	Promoter Group	5,00,000	3.86
9.	Ms. Sneha R. Taurani	Promoter Group	5,00,000	3.86
10.	Ms. Raveena R. Taurani	Promoter Group	5,00,000	3.86
	<b>Total</b>		<b>97,23,352</b>	<b>74.98</b>

(ii) Aggregate shareholding of the Directors of companies/trust which are a part of the Promoter and Promoter Group, as on the date of the Board meeting and the date of this Postal Ballot Notice, i.e., November 9, 2022: None

(iii) Aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the date of the Board Meeting and the date of the Postal Ballot Notice, i.e., November 9, 2022:

Sr. no.	Name of Shareholder	Designation	No. of Equity Shares held	% Shareholding
1.	Mr. Kumar S. Taurani	Chairman & Managing Director	26,29,800	20.28
2.	Mr. Ramesh S. Taurani	Executive Director	26,24,283	20.24
3.	Mr. Girish K. Taurani	Executive Director	6,00,000	4.63
4.	Mr. Amitabh Mundhra	Independent Director	NIL	N.A
5.	Mr. Shashikant Vyas	Independent Director	NIL	N.A
6.	Ms. Tara Subramaniam	Independent Director	NIL	N.A
7.	Mr. Sunil Chellani*	Chief Financial Officer	4,075	0.03
8.	Mr. Sushant Dalmia*	Chief Financial Officer	1,002	0.01
9.	Ms. Bijal R. Patel†	Company Secretary	NIL	N.A
	<b>Total</b>		<b>58,59,160</b>	<b>45.18</b>

\*resigned w.e.f. close of business hours on November 14, 2022

†appointed w.e.f. November 15, 2022

(iv) Aggregate shares purchased or sold by the Promoter and Promoter Group, persons in control, Directors of companies which are a part of the Promoter and Promoter Group and Directors and Key Managerial Personnel of the Company during a period of 6 (six) months preceding the date of the Board Meeting at which the Buyback was approved and the date of the Postal Ballot Notice, i.e., November 9, 2022:

(a) Aggregate of shares purchased or sold by the Promoter and Promoter Group and persons who are in Control:

Sr. no.	Name of Shareholder	No. of Equity Shares	Nature of Transaction*	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
1.	Mrs. Renu K. Taurani	12,00,000	Inter-se transfer (Sold)	NIL	September 23, 2022	NIL	September 23, 2022
2.	Mrs. Varsha R. Taurani	15,00,000	Inter-se transfer (Sold)	NIL	September 23, 2022	NIL	September 23, 2022
3.	Mr. Girish K. Taurani	6,00,000	Inter-se transfer (Acquired)	NIL	September 23, 2022	NIL	September 23, 2022
4.	Mr. Kunal K. Taurani	6,00,000	Inter-se transfer (Acquired)	NIL	September 23, 2022	NIL	September 23, 2022
5.	Ms. Jaya R. Taurani	5,00,000	Inter-se transfer (Acquired)	NIL	September 23, 2022	NIL	September 23, 2022
6.	Ms. Sneha R. Taurani	5,00,000	Inter-se transfer (Acquired)	NIL	September 23, 2022	NIL	September 23, 2022
7.	Ms. Raveena R. Taurani	5,00,000	Inter-se transfer (Acquired)	NIL	September 23, 2022	NIL	September 23, 2022

\* Inter-se transfer of Shares by way of Gift between immediate relatives through of market transaction without any consideration.

b) Aggregate shares purchased or sold by the Directors of companies which are a part of the Promoter and Promoter Group: None

c) Aggregate shares purchased or sold by the Directors and Key Managerial Personnel of the Company:

Sr. no.	Name of Shareholder	No. of Equity Shares	Nature of Transaction*	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
1.	Girish K. Taurani (Executive Director)	6,00,000	Inter-se transfer (Acquired)	NIL	September 23, 2022	NIL	September 23, 2022

\* Inter-se transfer of Shares by way of Gift between immediate relatives through of market transaction without any consideration.

Sr. No.	Name of Shareholder*	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
2.	Mr. Sushant Dalmia	28	Acquired	1734.40	July 8, 2022	1732.75	July 8, 2022
	Mr. Sushant Dalmia	15	Acquired	1793.40	July 12, 2022	1779.95	July 12, 2022
	Mr. Sushant Dalmia	10	Acquired	1775.60	July 13, 2022	1775.10	July 13, 2022
	Mr. Sushant Dalmia	40	Acquired	1803.75	August 3, 2022	1788.80	August 3, 2022
	Mr. Sushant Dalmia	6	Acquired	1594.95	September 21, 2022	1592.85	September 21, 2022
	Mr. Sushant Dalmia	2	Acquired	1489.90	September 26, 2022	1489.90	September 26, 2022
	Mr. Sushant Dalmia	10	Acquired	1570.00	September 28, 2022	1570.00	September 28, 2022
	Mr. Sushant Dalmia	5	Acquired	1584.95	September 29, 2022	1584.95	September 29, 2022
	Mr. Sushant Dalmia	10	Acquired	1522.00	October 06, 2022	1521.20	October 06, 2022
	Mr. Sushant Dalmia	15	Acquired	1516.95	October 11, 2022	1498.85	October 11, 2022
	Mr. Sushant Dalmia	25	Acquired	1562.95	October 13, 2022	1562.30	October 13, 2022
	Mr. Sushant Dalmia	10	Acquired	1556.45	October 14, 2022	1555.80	October 14, 2022
	Mr. Sushant Dalmia	230	Acquired	1599.95	October 18, 2022	1582.80	October 18, 2022
	Mr. Sushant Dalmia	17	Acquired	1580.00	October 19, 2022	1567.40	October 19, 2022
	Mr. Sushant Dalmia	88	Acquired	1599.75	October 20, 2022	1586.05	October 20, 2022
	Mr. Sushant Dalmia	20	Acquired	1609.70	October 21, 2022	1603.80	October 21, 2022
	Mr. Sushant Dalmia	65	Acquired	1730.00	October 24, 2022	1724.95	October 24, 2022
	Mr. Sushant Dalmia	20	Acquired	1708.00	October 25, 2022	1692.00	October 25, 2022
	Mr. Sushant Dalmia	1	Acquired	1748.15	October 28, 2022	1748.15	October 28, 2022
	Mr. Sushant Dalmia	30	Acquired	1724.95	October 31, 2022	1720.70	October 31, 2022
	Mr. Sushant Dalmia	118	Acquired	1799.90	November 01, 2022	1764.45	November 01, 2022
	Mr. Sushant Dalmia	60	Acquired	1831.05	November 02, 2022	1824.80	November 02, 2022
	Mr. Sushant Dalmia	20	Acquired	1874.00	November 03, 2022	1873.95	November 03, 2022

\* appointed as a Chief Financial officer of the Company w.e.f. November 15, 2022

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

7.1. In terms of the Buyback Regulations, under the tender offer route, the Promoter and Promoter Group and persons in control of the Company have an option to participate in the Buyback. In this regard, the following persons of the Promoter and Promoter Group have expressed their intention to participate in the Buyback and offer up to an aggregate of 97,11,852 Equity Shares (Ninety Seven Lakhs Eleven Thousand Eight Hundred and Fifty Two) or such lower number of shares in compliance with the provisions of the Buyback Regulations.

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

Sr. no.	Name of the Promoter/Promoter Group and Persons in Control	No. of Equity Shares held	Maximum Number of Equity Shares Intended to tender
1.	Mr. Kumar S. Taurani	26,29,800	26,29,800
2.	Mr. Ramesh S. Taurani	26,24,283	26,24,283
3.	Mrs. Renu K. Taurani	10,26,128	10,26,128
4.	Mrs. Varsha R. Taurani	7,31,641	7,31,641
5.	Mr. Girish K. Taurani	6,00,000	6,00,000
6.	Mr. Kunal K. Taurani	6,00,000	6,00,000
7.	Ms. Jaya R. Taurani	5,00,000	5,00,000
8.	Ms. Sneha R. Taurani	5,00,000	5,00,000
9.	Ms. Raveena R. Taurani	5,00,000	5,00,000
	<b>Total</b>	<b>97,11,852</b>	<b>97,11,852</b>

7.2. The details of the date and price of the Equity Shares allotted/credited/transmitted/acquired which are intended to be tendered, are set-out below:

1. Mr. Kumar S. Taurani - Intend to tender up to 26,29,800 Equity Shares

Date of Transactions	Nature of Transaction	Number of
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Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
15.11.2011	Purchase	10,799	10/-	46.29	4,99,886
22.11.2011	Purchase	17,701	10/-	46.29	8,19,379
05.12.2011	Purchase	30,500	10/-	46.29	14,11,845
13.12.2011	Purchase	47,067	10/-	46.29	21,78,731
20.12.2011	Purchase	18,123	10/-	46.29	8,38,914
14.03.2012	Purchase	75,885	10/-	46.29	35,12,717
26.03.2012	Purchase	30,074	10/-	46.29	13,92,125
27.03.2012	Purchase	1,000	10/-	46.29	46,290
28.03.2012	Purchase	365	10/-	46.29	16,896
29.03.2012	Purchase	3,773	10/-	46.29	1,74,852
04.04.2012	Purchase	22,324	10/-	46.29	10,33,378
13.04.2012	Purchase	10,181	10/-	59.97	6,10,555
16.04.2012	Purchase	4,157	10/-	59.97	2,49,295
27.04.2012	Purchase	26,121	10/-	59.97	15,66,478
28.04.2012	Purchase	2,098	10/-	59.97	1,25,817
07.05.2012	Purchase	45,791	10/-	59.97	27,46,086
09.05.2012	Purchase	3,000	10/-	59.97	1,79,910
25.05.2012	Purchase	28,000	10/-	59.97	16,79,160
29.05.2012	Purchase	14,300	10/-	59.97	8,57,571
11.06.2012	Purchase	77,468	10/-	59.97	46,45,756
12.06.2012	Purchase	31,500	10/-	59.97	18,89,055
<b>Total</b>		<b>26,24,283</b>			

\* The Company has acquired the entire equity Shares of Tips Films Pvt. Ltd. valued at ₹1,649/- per share and made it wholly owned subsidiary of Tips Industries Ltd by issue of 638,400 Equity Shares on Preferential basis to the shareholders of Tips Films Ltd. without payment being received in cash and as a consideration in ratio of 21 Equity share of the Company for every 1 share held in Tips Films Pvt. Ltd.

3. Mrs. Renu K. Taurani - Intend to tender up to 10,26,128 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
08.05.1996	Allotment	2,50,000	10/-	10.00	25,00,000
12.03.1997	Bonus	5,00,000	10/-	-	-
04.11.1999	Bonus	11,25,000	10/-	-	-
10.02.2000	Bonus	3,75,000	10/-	-	-
21.11.2000	Sale	(26,250)	10/-	265	(69,56,250)
04.12.2000	Sale	(1,81,667)	10/-	253.15	(4,59,89,001)
08.12.2000	Sale	(8,500)	10/-	253.15	(21,51,775)
17.09.2007	Preferential Allotment	1,24,760	10/-	45.00	56,14,200
19.01.2012	Purchase	10,645	10/-	48.935	5,20,913
03.02.2012	Purchase	29,853	10/-	48.935	14,60,857
27.02.2012	Purchase	22,220	10/-	48.935	10,87,336
05.03.2012	Purchase	29,067	10/-	48.935	14,22,394
24.12.2020	Sale	(24,000)	10/-	291.00	(69,84,000)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	(12,00,000)	10/-	-	-
<b>Total</b>		<b>10,26,128</b>			

4. Mrs. Varsha R. Taurani - Intend to tender up to 7,31,641 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
08.05.1996	Allotment	2,50,000	10/-	10.00	25,00,000
12.03.1997	Bonus	5,00,000	10/-	-	-
04.11.1999	Bonus	11,25,000	10/-	-	-
10.02.2000	Bonus	3,75,000	10/-	-	-
22.11.2000	Sale	(28,250)	10/-	265.00	(69,56,250)
12.12.2000	Sale	(1,58,500)	10/-	223.94	(3,54,94,490)
28.12.2000	Sale	(5,000)	10/-	223.94	(11,19,700)
29.06.2001	Sale	(14,000)	10/-	223.94	(31,35,160)
20.05.2005	Sale	(1,00,000)	10/-	47.36	(47,36,000)
11.06.2005	Sale	(4,00,000)	10/-	44.88	(1,79,52,000)
23.11.2006	Preferential Allotment	52,273	10/-	45.00	23,52,285
21.12.2007	Preferential Allotment	5,54,333	10/-	45.00	2,49,44,985
13.02.2008	Purchase	1,500	10/-	87.94	1,31,910
19.01.2012	Purchase	10,645	10/-	49.17	5,23,415
03.02.2012	Purchase	29,853	10/-	49.17	14,67,872
27.02.2012	Purchase	22,434	10/-	49.17	11,03,080
05.03.2012	Purchase	38,353	10/-	49.17	18,85,817
24.12.2020	Sale	(24,000)	10/-	291.00	(69,84,000)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	(15,00,000)	10/-	-	-
<b>Total</b>		<b>7,31,641</b>			

5. Mr. Girish K. Taurani - Intend to tender up to 6,00,000 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	6,00,000	10/-	-	-
<b>Total</b>		<b>6,00,000</b>			

6. Mr. Kunal K. Taurani - Intend to tender up to 6,00,000 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	6,00,000	10/-	-	-
<b>Total</b>		<b>6,00,000</b>			

7. Ms. Jaya R. Taurani - Intend to tender up to 5,00,000 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	5,00,000	10/-	-	-
<b>Total</b>		<b>5,00,000</b>			

8. Ms. Sneha R. Taurani - Intend to tender up to 5,00,000 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	5,00,000	10/-	-	-
<b>Total</b>		<b>5,00,000</b>			

9. Ms. Raveena R. Taurani - Intend to tender up to 5,00,000 Equity Shares

Date of Transaction	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue Acquisition/ Sale Price (₹)	Net Acquisition/ Sale Consideration (₹)
23.09.2022	Inter se transfer between immediate relative by way of gift without any consideration	5,00,000	10/-	-	-
<b>Total</b>		<b>5,00,000</b>			

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

- all the Equity Shares of the Company are fully paid-up;
- the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of the Board meeting;
- the Company shall not issue and allot any Equity Shares or specified securities including by way of bonus or conversion of employee stock options /outstanding instruments into Equity Shares, from the date of board resolution for the Buyback till the expiry of the Buyback Period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- Unless otherwise specifically permitted by any relaxation issued by SEBI and/ or any other regulatory authority, the Company shall not raise further capital for such period of time, as prescribed under the provisions of Regulation 24(f) of the Buyback Regulations from the expiry of the Buyback Period, i.e., the date on which the payment or consideration is made to the shareholders who have accepted the Buyback, except in discharge of its subsisting obligations and in compliance with the Buyback Regulations;
- the Company, as per the provisions of Section 68(8) of the Act, will not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- the Company will not Buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or till the Equity Shares become transferable;
- the Company shall not Buyback its shares or other specified securities 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 Buyback;
- there are no defaults subsisting in the repayment of any deposits accept either before or after the Companies Act, 2013, interest payable thereon or redemption of debentures or preference shares, payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking companies;
- borrowed funds from banks and financial institutions, if any, will not be used for the Buyback;
- the Buyback Offer Size does not exceed 25% of the aggregate of the total paid-up equity share capital and free reserves as per audited financial statements for the period ended September 30, 2022 (the last audited financial statements on standalone basis available as on the date of the Board meeting);
- that the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. up to 1,26,000 Equity Shares, does not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital of the Company as per the audited financial statements as at September 30, 2022 (on a standalone basis);
- 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 as prescribed under Buyback Regulations, the Companies Act, the rules made thereunder and other applicable laws;
- the Company shall not make any offer of Buyback within a period of one year reckoned from the expiry of the Buyback Period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act as on date;
- the Company will not withdraw the Buyback after the public announcement of the Buyback is made;
- the Company is not undertaking the Buyback to delist its equity shares other specified securities from the stock exchanges;
- Consideration of the Equity Shares bought back by the Company will be paid only by way of cash.
- The Company shall transfer from its free reserves or securities premium account and/ or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements
- The Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;

9. THE BOARD HAS CONFIRMED THAT IT HAS MADE A FULL ENQUIRY INTO THE AFFAIRS AND PROSPECTS OF THE COMPANY AND HAS FORMED THE OPINION:

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- Immediately following the date of this board meeting and the date on which the results of the shareholder's resolution will be declared ("Postal Ballot Resolution"), approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- As regards the Company's prospects for the year immediately following the date of the board meeting and the Postal Ballot Resolution that, 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 and also from the date of the Postal Ballot Resolution;
- In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, as applicable (including prospective and contingent liabilities) as amended from time to time.

10. THE TEXT OF REPORT DATED NOVEMBER 9, 2022 OF SSPA & ASSOCIATES, THE STATUTORY AUDITORS OF THE COMPANY, ADDRESSED TO THE BOARD OF DIRECTORS OF THE COMPANY IS REPRODUCED BELOW:

Quote

To,  
The Board of Directors  
Tips Industries Limited  
601, Durga Chambers, 6th Floor, Opposite B.P.L. Gallery  
278/E, Linking Road, Khar (West)  
Mumbai - 400 052

Dear Sir,

Sub: Statutory Auditor's certificate in connection with proposed buyback of equity shares of face value of ₹10/- each by Tips Industries Limited ("the Company") in terms of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ("Buy-back resolution"), as amended, through Tender Offer ("Buyback")

- This Report is issued to Tips Industries Limited (hereinafter the "Company") in connection with their proposed buyback of equity shares.
- The Management of the Company has prepared the accompanying Annexure A - Statement of permissible capital payment as on September 30, 2022 (the "Statement") pursuant to the proposed buyback of equity shares approved by the Board of Directors of the Company (hereinafter the "Board of Directors") in their meeting held on November 09, 2022, in accordance with the provisions of sections 68, 69 and 70 of the Companies Act, 2013, as amended and the rules made thereunder, as amended (together the "Companies Act") and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations"). The Statement contains the computation of amount of permissible capital payment towards buyback of equity shares in accordance with the requirements of Section 68(2) read with Regulation 4(i) of the SEBI Buyback Regulations and based on the latest audited standalone financial statements for the period ended September 30, 2022. We have initialled the Statement for identification purposes only.

Board of Directors Responsibility for the Statement

- The preparation of the Statement in accordance with the requirements of section 68(2)(c) of the Companies Act and ensuring compliance with the SEBI Buyback Regulations, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting approving the buyback of its equity shares i.e., November 09, 2022 (hereinafter referred as the "date of the Board meeting") and will not be rendered insolvent within a period of one year from the date of the Board meeting, and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016.

Auditor's Responsibility

- Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance on:
  - Whether we have inquired into the state of affairs of the Company;

b Whether the amount of capital payment for the buyback, as stated in the Statement, is within the permissible limit and computed in accordance with the provisions of Section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations; and

- whether the Board of Directors of the Company, in its meeting held on November 09, 2022, has formed the opinion as specified in clause (x) of Schedule 1 to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board meeting.
- The audited standalone financial statements for the period ended September 30, 2022 were audited by us, on which we issued an unmodified audit opinion vide our report dated November 09, 2022. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the "ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
  - We conducted our examination of the Statement in accordance with the "Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note"), issued by ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
  - A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the matters as mentioned in this paragraph below. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the matters mentioned in this paragraph 9 below. We have performed the following procedures in relation to the matters mentioned in this paragraph 9 below:
    - Inquired into the state of affairs of the Company in relation to the audited standalone financial statements for the period ended September 30, 2022;
    - Examine authorization for buyback from the Articles of Association of the Company, approved by Board of Directors in its meeting held on November 09, 2022;
    - Agreed the amounts of paid-up equity share capital, securities premium account, general reserve and retained earnings as at September 30, 2022 as disclosed in the accompanying Statement, with the audited standalone financial statements of the Company for the period ended September 30, 2022;
    - Examined that the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice its paid-up equity capital and free reserves based on both, audited standalone financial statements of the Company as on September 30, 2022;
    - Examined that all the shares for buy-back are fully paid-up;
    - Examined that the Company has not availed any borrowings to discharge its obligations under the Buyback;
    - Examined that the amount of capital payment for the buyback as detailed in the Statement is within the permissible limit computed in accordance with section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations;
    - Inquired if the Board of Directors of the Company, in its meeting held on November 09, 2022 has formed the opinion as specified in Clause (x) of Schedule 1 to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board meeting;
    - Examined Director's declarations in respect of the buyback and solvency of the Company; and
    - Obtained necessary representations from the management of the Company.

Opinion

- Based on inquiries conducted and our examination as above, and according to the information and explanations provided to us by the management of the Company we report that:
  - We have inquired into the state of affairs of the Company in relation to its latest standalone audited financial statements for the period ended September 30, 2022;
  - The permissible capital payment towards buyback of equity shares, as stated in the Statement, is in our view properly determined in accordance with Section 68(2)(c) of the Companies Act read with Regulation 4(i) of the SEBI Buyback Regulations, based on the audited standalone for the period ended September 30, 2022; and
  - the Board of Directors, in their meeting held on November 09, 2022 has formed the opinion, as specified in clause (x) of Schedule 1 of the SEBI Buyback Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of Board meeting and we are not aware of anything to indicate that the opinion expressed by the directors in the declaration as to any of the matters mentioned in the declaration of insolvency is unreasonable in the circumstances as of the date of declaration.

Restriction on Use

- This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of Equity Shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Act and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in public announcement, and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers in connection with the proposed buyback of Equity Shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act and the Buyback Regulations, and may not be suitable for any other purpose.

Yours faithfully,  
For on behalf of SSPA & Associates  
Chartered Accountants  
Firm Registration No. 131069W

Parag Ved  
Partner  
Membership No.: 102432  
UDIN: 22102432BCRHU3189  
Place: Mumbai  
Date: November 09, 2022

ANNEXURE A - STATEMENT OF PERMISSIBLE CAPITAL PAYMENT

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(c) of the Companies Act, 2013 ("the Act"), based on audited standalone financial statements as at and for the period ended September 30, 2022

(₹ In Lakhs)

Particulars	As at September, 2022	As at September, 2022
	(Standalone)	(Consolidated)
Equity Share Capital- Subscribed and Paid-up (A)	1,296.87	
Free Reserves		
- Securities Premium Account	-	
- General Reserve	416.25	
- Surplus in Statement of Profit and Loss (Excluding OCI)	11,610.41	
<b>TOTAL FREE RESERVES (B)</b>	<b>12,026.66</b>	
<b>TOTAL (A+B)</b>	<b>13,323.53</b>	
Maximum amount permissible for the Buy-back under Section 68 of the Act i.e. 25% of total paid up equity capital and free reserves	3,330.88	Not Applicable
Maximum amount permissible for buy back under section 68 of the Act, within the powers of the Board of Directors - 10% of total paid-up equity share capital and free reserves.	1,332.35	
Amount proposed by Board Resolution dated November 09, 2022 approving the Buyback. (refer note 2)	3276.00	

Note

- The consolidation statements are not prepared by the Company, as they do not have any subsidiary, joint venture or associates, which requires consolidation.
- The impact of taxes on Buy back and transaction costs related of Buy back is not considered.

For Tips Industries Limited

Kumar S. Taurani  
Chairman & Managing Director

Place: Mumbai  
Date : November 09, 2022

Unquote



**11. RECORD DATE AND SHAREHOLDER'S ENTITLEMENT**

- 11.1. As required under the Buyback Regulations, the Company has fixed Friday, December 30, 2022 as the Record Date for the purpose of determining the entitlement and the names of the equity shareholders who are eligible to participate in the Buyback.
- 11.2. The Equity Shares to be bought back as part of the Buyback are divided into two categories:
- Reserved category for small shareholders (defined below); and
  - General category for all other Eligible Shareholders
- 11.3. As defined in Regulation 2(i)(n) of the Buyback Regulations, a "small shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price on the stock exchange having highest trading volume as on Record Date, of not more than ₹2,00,000/- (Rupees Two Lakhs only).
- 11.4. In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to buyback or such number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.
- 11.5. On the basis of the shareholding on the Record Date, the Company will determine the entitlement of each Eligible Shareholder, including small shareholders, to tender their Equity Shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective shareholder on the Record Date and the ratio of the Buyback applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by an Eligible Shareholder.
- 11.6. In accordance with Regulation 9(x) of the Buyback Regulations, in order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher entitlement under the small shareholder category, the Company will club together the equity shares held by such Eligible Shareholders with a common Permanent Account Number (PAN) for determining the category (small shareholder or general) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the equity shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of Eligible Shareholders holding Equity Shares in physical form, 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 and transfer agent (the "Registrar") as per the shareholder records received from the depositories.
- 11.7. After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in other category.
- 11.8. The participation of Eligible Shareholders in the Buyback is voluntary. Eligible Shareholders 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 may also accept a part of their entitlement. Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to nonparticipation of some other Eligible Shareholders, if any. If the Buyback entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback.
- 11.9. The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. 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.
- 11.10. The Equity Shares tendered as per the entitlement by the Eligible Shareholder as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in the Buyback Regulations. The settlement of the tenders under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified under the SEBI Circulars. Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their respective entitlement for participating in the Buyback.
- 11.11. Small Shareholders holdings of multiple demat accounts would be clubbed together for identification of small shareholder if sequence of Permanent Account Number for all holders is matching. Similarly, in case of physical shareholders, if the sequence of names of joint holders is matching, holding under such folios should be clubbed together for identification of small shareholder.
- 11.12. Participation in the Buyback by shareholders may trigger taxation in India and in their country of residence. The Buyback transaction would also be subject to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.
- 11.13. Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer to be sent in due course to the Eligible Shareholders.

**12. PROCESS AND METHODOLOGY FOR THE BUYBACK**

- 12.1. The Buyback is open to all eligible shareholders, i.e., the shareholders who on the Record Date were holding Equity Shares either in physical form ("Physical Shares") and the beneficial owners who on the Record Date were holding Equity Shares in the dematerialized form ("Demat Shares") (such shareholders are referred as the "Eligible Shareholders"). Additionally, the Buyback shall, subject to applicable laws, to be facilitated by tendering of Equity Shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.
- 12.2. The Buyback will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIRP/2016/131 dated December 9, 2016 and circular bearing number SEBI/HO/CFD/DIL/1/CIRP/2018/011 dated January 19, 2018 and in accordance with the procedure prescribed in the Companies Act and the SEBI Buyback Regulations, and as may be determined by the Board of Directors, or the Buyback Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "Buyback Committee"), on such terms and conditions as may be permitted by law from time to time.
- 12.3. For implementation of the Buyback, the Company has appointed ITI Securities Broking Limited as the registered broker to the Company ("Company's Broker") through whom the purchases and settlement on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:
- ITI Securities Broking Limited**  
ITI House, 36 Dr. R. K. Shirodkar Marg,  
Behind Bata Showroom,  
Opp HDFC house,  
Parel, Mumbai 400 012  
Tel. No.: 022-69093655/56  
Contact Person: Mr. Himanshu Shah  
Email: [himanshu.shah@itibro.com](mailto:himanshu.shah@itibro.com)  
Website: <https://www.itibro.com>  
Investor Grievance E-mail: [igsb@itibro.com](mailto:igsb@itibro.com)  
SEBI Registration Number: INZ000005835  
Corporate Identity Number: U74120MH1994PLC077946
- 12.4. The Company will request BSE, being the designated stock exchange, to provide the separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buyback. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker.
- 12.5. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers during normal trading hours of the secondary market. The stock brokers ("Seller Member(s)") can enter orders for demat shares as well as physical shares.
- 12.6. In the event the Seller Member(s) of any Eligible Shareholder is not registered with BSE as a trading member/ stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the registered stock broker (after submitting

all details as may be required by such registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other registered broker, Eligible Shareholders may approach Company's Broker i.e., ITI Securities Broking Limited to place their bids, subject to completion of KYC requirements as required by the Company's Broker.

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

**12.8. Procedure to be followed by Eligible Shareholders holding Equity Shares in the Dematerialized Form:**

- Eligible Shareholders who desire to tender their Equity Shares in the electronic/ dematerialized form under Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.
- The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the BSE. Before placing the bid, the concerned Seller Member would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited ("Clearing Corporation"), by using the settlement number and the procedure prescribed by the Clearing Corporation. This shall be validated at the time of order/bid entry.
- The details of the special account shall be informed in the issue opening circular that will be issued by BSE or Indian Clearing Corporation Limited.
- For custodian participant orders for dematerialized Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Seller Member(s) shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of the order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered etc. In case of non-receipt of the completed tender form and other documents, but lien marked on Equity Shares and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
- The lien shall be marked by the Seller Member in the demat account of the Eligible Shareholder for the shares tendered in tender offer. Details of shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Clearing Corporation. In case, the Shareholders demat account is held with one depository and clearing member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter depository tender offer ("IDT") instructions shall be initiated by the shareholders at source depository to clearing member/ Clearing Corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- The Eligible Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
- 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 Shareholders and/ or the Shareholder Broker through which the Eligible Shareholder places the bid.

**12.9. Procedure to be followed by Eligible Shareholders holding Equity Shares in the Physical form:**

- In accordance with the with 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:
- Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out. Such documents include (i) the tender form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares (ii) original Equity Share certificate(s), (iii) 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, (iv) self-attested copy of the Eligible Shareholder's PAN card, (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
  - Based on the aforesaid documents, the Seller Member shall place the bid on behalf of the Eligible Shareholder who is holding Equity Shares in physical form and intend to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the Exchange Bidding System to the Eligible Shareholder. The TRS will contain the details of order submitted such as folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.
  - The Seller Member/Eligible Shareholder is required to deliver the original Equity Share certificate(s) and documents (as mentioned in Paragraph a. above) along with the TRS either by registered post or courier or hand delivery to the registrar to the Buyback i.e. Link Intime India Private Limited ("Registrar") at the address mentioned at Paragraph 15 below or the collection centre of the Registrar details of which will be included in the Letter of Offer within 2 days of bidding by Seller Member and the same should reach not later than the buyback closing date. The envelope should be super-scribed as "Tips Industries Ltd. Buyback Offer 2022". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Shareholder.
  - Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and all such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.
  - In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible 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 the closure of the tendering period of the Buyback.
  - An unregistered shareholder holding Equity Shares in physical form may also tender their Equity Shares in the Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in their name, along with the offer form, copy of their PAN card and of the person from whom they have purchased shares and other relevant documents as required for transfer, if any.

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

12.11. The cumulative quantity of Equity Shares tendered under the Buyback shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading session and will be updated at specific intervals during the tendering period.

**13. METHOD OF SETTLEMENT**

- Upon finalization of the basis of acceptance as per Buyback Regulations:
- The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
  - The Company will pay the consideration to the Company's Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If the Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by Reserve Bank of India/Eligible Shareholders' bank due to any reason, then such funds will be transferred to the concerned Stock Broker's settlement bank account for onward transfer to such Eligible Shareholders.
  - The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("Special Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
  - The Eligible Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
  - 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.
  - The Seller Member(s) would issue contract note and pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted Equity Shares to their respective clients. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
  - Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Shareholders directly by Registrar to the Buyback. 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 the Equity Shareholders holding Equity Shares in the physical form.
  - Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholder from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
  - The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
  - 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 Regulation

**14. COMPLIANCE OFFICER**

Investors may contact the Compliance Officer appointed for Buyback for any clarifications or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Ms. Bijal Patel  
Company Secretary  
Tips Industries Limited  
601, Durga Chambers, Linking Road,  
Khar - West, Mumbai, Maharashtra, 400052;  
Tel. No.: +91 22 66431188  
Email: [bijal@tips.in](mailto:bijal@tips.in) | Website: [tips.in](http://tips.in);  
CIN: L92120MH1996PLC099359

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

In case of any queries, shareholders may also contact the Registrar to the Buyback, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

**LINK Intime**

Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083  
Tel. No.: +91 810 811 4949;  
Fax: +91 22 4918696195;  
Contact person: Mr. Sumeet Deshpande;  
Email: [tipsindustries.buyback@linkintime.co.in](mailto:tipsindustries.buyback@linkintime.co.in);  
Website: [www.linkintime.co.in](http://www.linkintime.co.in);  
SEBI Registration Number: INR000004058;  
CIN: U67190MH1999PTC118368.

**16. MANAGER TO THE BUYBACK**

Inga Ventures Private Limited  
1229, Hubtown Solaris, N.S. Phadke Marg,  
Opp. Teili Galli, Andheri (East), Mumbai 400069  
Tel. No.: 022 68540808  
Contact Person: Ms. Kavita Shah;  
Email: [kavita@ingaventures.com](mailto:kavita@ingaventures.com);  
Website: [www.ingaventures.com](http://www.ingaventures.com);  
SEBI Registration No: INM000012698;  
CIN: U67100MH2018PTC318359

**17. DIRECTORS RESPONSIBILITY**

As per Regulation 24(i)(a) of the Buyback Regulations, the Board accepts responsibility for the information contained in this Public Announcement and confirms that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Tips Industries Limited

Sd/-	Sd/-	Sd/-
Kumar S. Taurani Chairman & Managing Director Director Identification Number: 00555831	Ramesh S. Taurani Executive Director Director Identification Number: 00010130	Bijal Patel Company Secretary & Compliance Officer Membership Number: A30140

Date : December 20, 2022

Place : Mumbai