



SM Auto Stamping Limited



Manufacturers of sheet metal pressed components & welded assemblies for Automobile & Electrical OEMs.
GSTIN. : 27AAKCS1177K1ZX CIN NO.: L27109MH2006PLC163789

Date: December 12, 2023

To
**The Listing Department,
BSE Limited,**
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400001

Ref.: Scrip Code: 543065 / Scrip ID: SMAUTO

Dear Sir / Madam,

Sub: Public Announcement for buy-back of Equity Shares of SM Auto Stamping Limited (“Company”)

Ref: Regulation 7(i) and 7(ii) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (“SEBI Buyback Regulations”)

With reference to the above-mentioned subject and in continuation of our earlier communication dated November 06, 2023, informing the Stock Exchange, that the Board of Directors approved the proposal for buy-back of upto 6,00,000 fully paid-up equity shares having a face value of ₹ 10/- (Rupees Ten only) each (“**Equity Shares**”) of the Company, from its shareholders/beneficial owners, on a proportionate basis through a tender offer route, at a price of ₹ 60/- (Rupees Sixty only) per equity share, payable in cash, for an aggregate amount not exceeding ₹ 3,60,00,000/- (Rupees Three Crore and Sixty Lakh only) excluding transaction costs, applicable taxes and other incidental and related expenses (“**Buy-back**”), subject to approval from members of the Company.

The shareholders of the Company have approved the Buy-back by passing a special resolution through postal ballot. Kindly refer to our letter dated December 09, 2023 intimating the results of the Postal Ballot.

In this connection, we wish to inform you that pursuant to Regulation 7(i) of the SEBI Buyback Regulations, the Company has published a Public Announcement dated December 11, 2023 (“**Public Announcement**”) for the Buyback on December 12, 2023 in the newspapers mentioned below:

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Aapla Mahanagar	Marathi	Being the Regional language of Nashik wherein the registered office of the Company is located

In this regard, please find enclosed a copy of the Public Announcement, as published in the aforesaid newspapers.

Registered Office : J-41, MIDC Ambad, Nashik - 422010, Maharashtra, INDIA
Telephone : +91-253-6621106/07.
II Plant : C-13, MIDC Ambad, Nashik - 422010, Maharashtra, INDIA
Telephone : +91-253-6621102, 6621103, 6621104



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Further, as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a copy of this Public Announcement will be available on the Company's website at i.e., www.smautostamping.com, Manager to the Buyback website at i.e., www.saffronadvisor.com and is expected to be made available on the website of the SEBI at i.e., www.sebi.gov.in and on the website of the Stock Exchange at i.e., www.bseindia.com, during the period of the Buyback.

Kindly take note of the same.

Thanking you,
Yours Faithfully,

For SM Auto Stamping Limited

Pawan Mahajan
Company Secretary & Compliance Officer

Encl.: As Above

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SM AUTO STAMPING LIMITED

Corporate Identification Number (CIN): L27109MH2006PLC163789
Registered Office: J-41, MIDC Ambad, Nashik-422010, Maharashtra, India
Corporate Office: C-13, MIDC Ambad, Nashik- 422010, Maharashtra, India
Tel. No.: +91 253 6621102 ; Fax: +91 253 6601444

Email: companysecretary@smautostamping.com; Website: www.smautostamping.com.

Contact Person: Pawan Mahajan, Company Secretary and Compliance Officer

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF SM AUTO STAMPING LIMITED IN CONNECTION WITH THE BUY-BACK OF EQUITY SHARES ON A PROPORTIONATE BASIS THROUGH A TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement ("Public Announcement") is being made, in relation to the buy-back of fully paid-up equity shares, having a face value of ₹ 10/- (Rupees Ten only) each ("Equity Shares"), by SM Auto Stamping Limited ("Company") from the equity shareholders/ beneficial owners of the Company ("Buy-back") through the tender offer route using the Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting ("Stock Exchange Mechanism") notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI Circular CFD/DCR/2016/131 dated December 9, 2016 and the SEBI 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 ("SEBI Circulars") or such other circulars or notifications, as may be applicable, pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (including any statutory modification(s), amendment(s) or re-enactments from time to time) ("SEBI Buy-back Regulations") and contains the disclosures as specified in Schedule II read with Schedule I of the SEBI Buy-back Regulations.

OFFER TO BUY-BACK UP TO 6,00,000 (SIX LAKH) FULLY PAID-UP EQUITY SHARES HAVING FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH OF THE COMPANY ("EQUITY SHARES") AT A PRICE OF ₹ 60/- (RUPEES SIXTY ONLY) ("BUY-BACK PRICE") PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE AMOUNT NOT EXCEEDING ₹ 3,60,00,000/- (RUPEES THREE CRORE AND SIXTY LAKH ONLY), FROM THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE, ON A PROPORTIONATE BASIS THROUGH TENDER OFFER ROUTE USING THE 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 row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUY-BACK OFFER AND BUY-BACK PRICE

1.1. The Board of Directors of the Company (the "Board"), which expression shall include any committee constituted and authorized by the Board to exercise its powers related to buy-back i.e., the "Buy-back Committee", at its meeting held on Monday, November 06, 2023 ("Board Meeting") had, subject to the approval of the Members of the Company by way of a special resolution through postal ballot and subject to such approvals of regulatory and/or statutory authorities as may be required under applicable laws, approved the buy-back of up to 6,00,000 (six lakh) Equity Shares ("Maximum Buy-back Shares"), from all of the equity shareholders / beneficial owners of the equity shares of the Company as on the Record Date, on a proportionate basis, through the Tender Offer route using Stock Exchange Mechanism in accordance with the provisions of the Companies Act, 2013, as amended (the "Act") read with the rules framed under the Act including the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 ("Management and Administration Rules") and other relevant rules made thereunder, each as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), to the extent applicable, SEBI Buy-back Regulations and the SEBI Circulars or notifications, including any amendments thereof, at a price of ₹ 60 (Rupees Sixty only) per Equity Share ("Buy-back Price") payable in cash for an aggregate consideration not exceeding ₹ 3,60,00,000 (Rupees Three Crore Sixty Lakh only) ("Buy-back Size") excluding transaction costs, applicable taxes and other incidental and related expenses ("Buy-back").

1.2. The Buy-back is further subject to approvals, permissions, consents, sanctions and exemptions, as may be necessary, and subject to such conditions and modifications, if any, from time to time from statutory, regulatory or governmental authorities as required under applicable laws, including but not limited to Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Mumbai ("RoC"), and the stock exchange where the Equity Shares of the Company are listed i.e. BSE Limited ("BSE") or the "Stock Exchange" and/or other authorities, institutions or bodies (together with SEBI and BSE the "Appropriate Authorities"), as maybe necessary, and subject to such conditions, alterations, amendments and modifications as may be prescribed or imposed by them while granting such approvals, permissions, consents, sanctions and exemptions which may be agreed and by the Board.

1.3. The Buy-back Size do not include any expenses incurred or to be incurred for the Buy-back viz. the tax payable under the Income Tax Act, 1961 and other applicable laws, brokerage costs, fees, turnover charges, securities transaction tax and goods and services tax (if any), stamp duty, advisors/legal fees, filing fees to SEBI and any other Appropriate Authorities, Stock Exchange charges, printing and dispatch expenses, if any, public announcement publication expenses and other incidental and related expenses and charges ("Transaction Costs").

1.4. The Buy-back is pursuant to Article 25 of the Articles of Association of the Company, and the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Act, the relevant rules framed thereunder, including the Share Capital Rules, the Management and Administration Rules, SEBI Listing Regulations, to the extent applicable, and the SEBI Buy-back Regulations read with SEBI Circulars or notifications, as may be applicable, including any amendment thereof.

1.5. The Buy-back Size represents 18.40% and 17.05% of the aggregate paid-up capital and free reserves of the Company, as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023, respectively. (the latest audited financial statements available as on the date of the Board Meeting, recommending the proposal of the Buy-back) and is within the prescribed limit of 25% of the aggregate paid-up capital and free reserves of the Company as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023, in compliance with the proviso to Section 68(2)(b) of the Act and proviso to Regulation 4 of the SEBI Buy-back Regulations. Further, the Maximum Buy-back Shares represents 4.20% of the total number of equity shares in the total paid-up equity capital of the Company as on March 31, 2023, which is within the limit of 25% as per the provisions of the Act and the SEBI Buy-back Regulations.

1.6. Since the Buy-back constitutes more than 10% of the total paid-up equity share capital, securities premium account and free reserves of the Company, in terms of Section 68(2)(b) of the Act and Regulation 5(j)(b) of the SEBI Buy-back Regulations, the Board had sought approval of the shareholders of the Company for the Buy-back, by way of a special resolution.

1.7. The shareholders of the Company approved the Buy-back, by way of a special resolution, through postal ballot only by voting through electronic means ("remote e-voting") pursuant to a postal ballot notice dated November 06, 2023 (the "Postal Ballot Notice"), the results of which were announced on Saturday, December 09, 2023.

1.8. The Equity Shares are listed only on SME platform of BSE Limited, Mumbai ("BSE" or "Stock Exchange").

1.9. The Buy-back shall be undertaken on a proportionate basis from all the equity shareholders/ beneficial owners of the Company, who hold Equity Shares as on Friday, December 22, 2023 ("Record Date") (such shareholders being the "Eligible Shareholders") through the tender offer route prescribed under Regulation 4(iv)(a) and Regulation 6 of the SEBI Buy-back Regulations and shall be implemented using the Stock Exchange Mechanism notified by SEBI vide the SEBI Circulars. In this regard, the Company will request BSE Limited ("BSE") to provide the acquisition window for facilitating tendering of Equity Shares under the Buy-back and for the purposes of this Buy-back, BSE will be the designated stock exchange. Please refer to Paragraph 14 below for details regarding the Record Date and Shareholder Entitlement for tendering in the Buy-back.

1.10. In terms of the SEBI Buy-back Regulations, under the tender offer route, the promoters, members of the promoter group and persons in control of the Company have an option to participate in the Buy-back. In this regard, Suresh Gunwant Fegde and Alka Mukund Kulkarni, the Promoters of the Company, vide their letters dated November 03, 2023, have expressed their intention to participate in the Buy-back and may tender, based on its entitlement, up to a maximum of 6,00,000 Equity Shares or such lower number of Equity Shares, in accordance with the provisions of the SEBI Buy-back Regulations.

1.11. The Buy-back will not result in any benefit to the promoters, members of the promoter group and persons in control of the Company 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 Buy-back in their capacity as equity shareholders of the Company and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of equity shares which will lead to reduction in the equity share capital of the company post Buy-back. Any change in the Voting Rights of the Promoters of the Company pursuant to completion of Buy-back will not result in any change in control over the Company.

1.12. As required under Section 68(2)(d) of the Act and the SEBI Buy-back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-back will be less than or equal to 2:1 of its paid-up capital and free reserves based on the audited standalone and consolidated financial statements of the Company as on half year ended September 30, 2023 respectively, whichever sets out as lower amount.

1.13. The Buy-back would be subject to the condition of maintaining Minimum Public Shareholding requirements as specified in Regulation 38 of SEBI (LODR) Regulations, 2015, as amended.

1.14. Participation in the Buy-back by the Eligible Shareholders will be subject to tax on distributed income to such shareholders ("Buy-back Tax") in India and such tax obligation is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income Tax Act, 1961 read with applicable rules framed thereunder. However, in case of non-resident shareholders, this may be subject to capital gains taxation in hands of the shareholders in their respective tax jurisdiction. The transaction of the Buy-back would also be chargeable to securities transaction tax in India. Any consideration received by Eligible Shareholders pursuant to the Buy-back of shares will not be included in the total taxable income of such shareholders. 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 Buy-back.

1.15. A copy of this Public Announcement is available on the Company's website at www.smautostamping.com, Manager to the Buy-back's website at www.saffronadviser.com and is expected to be available on the website of the SEBI at www.sebi.gov.in and on the website of the Stock Exchange at www.bseindia.com, during the period of the Buy-back.

2. NECESSITY FOR THE BUY-BACK

The Buy-back is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term and for returning surplus funds to the shareholders in an effective and efficient manner.

The Buy-back is being undertaken, *inter-alia*, for the following reasons:

- (i) The Buy-back will help the Company to return surplus cash to its shareholders holding Equity Shares, thereby, enhancing the overall return to shareholders;
- (ii) The Buy-back, which is being implemented through the tender offer route as prescribed under the SEBI Buy-back Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 20(i)(n) of the SEBI Buy-back Regulations;
- (iii) The Buy-back may help in improving its return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and
- (iv) The Buy-back gives an option to the shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-back Offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-back Offer, without additional investment.

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID UP EQUITY SHARE CAPITAL AND FREE RESERVES AND SOURCES OF FUNDS FROM WHICH BUY-BACK WILL BE FINANCED

3.1. The maximum amount required under the Buy-back will not exceed ₹ 3,60,00,000/- (Rupees Three Crore Sixty Lakhs only) ("Buy-back Size"), excluding Transaction Costs. The said amount works out to 18.40% and 17.05% of the aggregate paid-up capital and free reserves of the Company, as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023 (the latest audited financial statements available as on the date of Board Meeting recommending the proposal of the Buy-back), respectively, and is within the prescribed limit of 25% of the aggregate paid-up capital and free reserves of the Company as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023, in compliance with the proviso to Section 68(2)(b) of the Act and proviso to Regulation 4 of the SEBI Buy-back Regulations.

3.2. The funds for the implementation of the Buy-back (including the Transaction Costs) will be sourced out of the mainly securities premium account and free reserves of the Company (retained earnings) and/or such other source as may be permitted by the SEBI Buy-back Regulations or the Act.

3.3. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited standalone and consolidated financial statements.

3.4. The funds borrowed, if any, from banks and financial institutions will not be used for the purpose of the Buy-back.

4. BUY-BACK PRICE AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE

4.1. The Equity Shares of the Company are proposed to be bought back at a price of ₹ 60/- (Rupees Sixty only) ("Buy-back Price") per Equity Share.

4.2. The Buy-back Price has been arrived at after considering various factors including, but not limited to (i) the share price benchmarks on the BSE, the only stock exchange where the volume of trading in the Equity Shares of the Company is recorded, (ii) the net worth of the Company, and (iii) Earnings Per Equity Share (iv) the closing market price of the Equity Shares on the Stock Exchange where the Equity Shares are listed as on the date of intimation of the Board Meeting for considering Buy-back (v) Book Value (vi) the closing market price of the Equity Shares on the Stock Exchange where the Equity Shares are listed as on the date of the Board Meeting for considering Buy-back.

4.3. The Buy-back Price represents:

- (i) premium of 36.46% to the volume weighted average market price of the Equity Share on BSE, during the three months preceding Saturday, October 28, 2023, being the date of intimation to the Stock Exchange of the date of the Board Meeting to consider the proposal of the Buy-back ("Intimation Date");
- (ii) premium of 51.90% over the closing market price of the Equity Shares on BSE, as on Wednesday, October 18, 2023, being a day on which the equity shares were quoted on BSE, preceding the Intimation Date;
- (iii) premium of 50.63% over the volume weighted average market price of the Equity Shares on BSE, for two weeks preceding the Intimation Date;
- (iv) premium of 42.86% over the closing market price of the Equity Shares on BSE, as on Friday, November 03, 2023, being a day on which the equity shares were quoted on BSE, preceding the date of Board Meeting;
- (v) Premium of 38.34% over the closing price of the Equity Shares on BSE, as on the date of Board Meeting i.e., November 06, 2023.

4.4. Further, in accordance with Regulation 5(via) of the SEBI Buy-back Regulations, the Board/Buy-back Committee may increase the maximum Buy-back Price and decrease the number of Equity Shares proposed to be bought back provided that there is no change in the Buy-back Size, till one working day prior to the Record Date fixed for the purpose of Buy-back.

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to buy-back of not exceeding 6,00,000 (six lakh) Equity Shares of the Company, representing 4.20% of the total number of equity shares in the total paid-up equity capital of the Company as on March 31, 2023, which is within the limit of 25% as per the provisions of the Act and the SEBI Buy-back Regulations.

6. METHOD TO BE ADOPTED FOR THE BUY-BACK

The Buy-back shall be on a proportionate basis, through the tender offer route, as prescribed under the SEBI Buy-back Regulations, to the extent permissible, and the Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting ("Stock Exchange Mechanism") notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI Circular CFD/DCR/2016/131 dated December 9, 2016 and the SEBI 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 ("SEBI Circulars"). The Buy-back will be implemented in accordance with the Act read with the rules framed there under, to the extent applicable, the SEBI Buy-back Regulations and on such terms and conditions as may be deemed fit by the Company.

7. DETAILS OF THE SHAREHOLDING AND TRANSACTIONS OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP, DIRECTORS OF PROMOTERS/MEMBERS OF THE PROMOTER GROUP, DIRECTORS, KEY MANAGERIAL PERSONNEL AND PERSON IN CONTROL OF THE COMPANY, IN THE EQUITY SHARES OF THE COMPANY

7.1. The aggregate shareholding of (i) promoters, members of the promoter group ("Promoter Group") and persons in control of the Company; (ii) the directors/partners/trustees of the Promoter and Promoter Group of the Company; and (iii) directors and key managerial personnel of the Company as on the Board Meeting Date / date of Postal Ballot Notice, i.e., Monday, November 06, 2023 and on the date of the Public Announcement i.e. December 11, 2023:

(i) Aggregate shareholding of the Promoter, Promoter Group and persons in control of the Company is as follows:

S.No.	Name of the Shareholder	No. of Equity Shares held	% of Shareholding
1.	Alka Mukund Kulkarni	68,95,352	48.26
2.	Suresh Gunwant Fegde	35,52,164	24.86
3.	Mukund Narayan Kulkarni	100	Negligible
4.	Ajinkya Mukund Kulkarni	100	Negligible
5.	Jayant Suresh Fegde	100	Negligible
6.	Aditya Mukund Kulkarni	8	Negligible
7.	Reshma Jayant Fegde	8	Negligible
	TOTAL	1,04,47,832	73.12

(ii) Aggregate shareholding of the directors/partners/trustees of the Promoter and Promoter Group of the Company, where the Promoter and Promoter Group is a company as on the Board Meeting Date / date of Postal Ballot Notice, i.e., Monday, November 06, 2023 and on the date of the Public Announcement i.e. December 11, 2023: **Not Applicable**, as all the Promoters and Promoter Group of the Company are individuals.

(iii) Aggregate Shareholding of the directors and key managerial personnel of the Company as on the Board Meeting Date / date of Postal Ballot Notice, i.e., Monday, November 06, 2023 and on the date of the Public Announcement i.e. December 11, 2023:

S. No.	Name of the Shareholder	Designation	No. of Equity Shares held	% of Shareholding
1.	Alka Mukund Kulkarni	Non-Executive Director	68,95,352	48.26
2.	Suresh Gunwant Fegde	Whole Time Director	35,52,164	24.86
3.	Mukund Narayan Kulkarni	Managing Director	100	Negligible
4.	Jayant Suresh Fegde	Non-Executive Director	100	Negligible
5.	Sunilkumarshyanarain Dayama	Non-Executive Independent Director	-	-
6.	Sanjay Ramchandra Bhargava	Non-Executive Independent Director	-	-
7.	Pawan Mahajan	Company Secretary & Compliance Officer	-	-
8.	Suresh Jagdale	Chief Financial Officer	-	-
	TOTAL		1,04,47,716	73.12

7.2. No Equity Shares of the Company were either purchased or sold (either through the stock exchange or off market transactions) by the Promoter and Promoter Group, directors of the Promoter Company and persons who are in control of the Company, Directors and Key Managerial Personnel of the Company, during a period of six months preceding the date of the Board Meeting Date/date of Postal Ballot Notice, i.e. Monday, November 06, 2023, and from the date of the Board Meeting till the date of this Public Announcement i.e. December 11, 2023.

7.3. The maximum and minimum price at which purchases and sales referred at point 7.2 above were made along with the relevant dates: **Not Applicable**

8. INTENTION OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO TENDER THEIR EQUITY SHARES IN THE BUY-BACK

8.1. In terms of the SEBI Buy-back Regulations, under the tender offer route, the promoters, members of the promoter group and persons in control of the Company have an option to participate in the Buy-back. In this regard, Alka Mukund Kulkarni and Suresh Gunwant Fegde, the Promoters of the Company have expressed their intention to participate in the Buy-back vide their letters dated November 03, 2023 and may tender, based on its entitlement, up to an aggregate maximum of 6,00,000 Equity Shares, as disclosed below, or such lower number of Equity Shares, in accordance with the provisions of the SEBI Buy-back Regulations or permitted under the applicable laws:

S.No.	Name of the Promoter Shareholder	Maximum Number of Equity Shares intended to be offered in the Buy-back
1.	Alka Mukund Kulkarni	4,00,000
2.	Suresh Gunwant Fegde	2,00,000
	TOTAL	6,00,000

8.2. Since the entire shareholding of Alka Mukund Kulkarni and Suresh Gunwant Fegde, who intend to participate in the Buy-back is in dematerialised form, the details of the date and price of acquisition/sale of the Equity Shares by them is set out below:

(i) Alka Mukund Kulkarni

S. No.	Date of Transaction	Nature of Transaction	No. of Shares acquired/(sold)	Face Value (₹)	Transaction Price (₹)	Transaction Value (₹)	Cumulative No. of Shares
a.	March 25, 2014	Preferential Allotment	50,000	10	10	5,00,000	50,000
b.	Oct 27, 2014	Transfer	(1)	10	10	10	49,999
c.	June 08, 2015	Acquisition of shares by way of Transfer of shares	8,11,942	10	10	81,19,420	8,61,941
d.	Sept 01, 2015	Transfer	(1)	10	10	10	8,61,940
e.	June 21, 2016	Transfer	(1)	10	10	10	8,61,939
f.	Nov 12, 2018	Transfer	(1)	10	10	10	8,61,938
g.	Aug 29, 2019	Acquisition of share by way of Transfer of shares	4	10	10	40	8,61,942
h.	Sept 19, 2019	Bonus in the ratio of 7:1 i.e., 7 Equity Shares for every 1 Equity Share held	60,33,594	10	-	-	68,95,536
i.	Oct 10, 2019	Acquisition of shares by way of Transfer of shares	16	10	10	160	68,95,552
j.	Nov 15, 2019	Transfer	(200)	10	10	2,000	68,95,352

(ii) Suresh Gunwant Fegde

S. No.	Date of Transaction	Nature of Transaction	No. of Shares acquired/(sold)	Face Value (₹)	Transaction Price (₹)	Transaction Value (₹)	Cumulative No. of Shares
a.	Aug 14, 2006	Subscriber to MOA	3,400	10	10	34,000	3,400
b.	March 29, 2009	Business Takeover	4,40,633	10	10	44,06,330	4,44,033
c.	Nov 21, 2012	Transfer	(2)	10	10	20	4,44,031
d.	Oct 10, 2013	Transfer	(2)	10	10	20	4,44,029
e.	June 08, 2015	Acquisition of share by way of Transfer of shares	3	10	10	30	4,44,032
f.	June 23, 2015	Transfer	(1)	10	10	10	4,44,031
g.	April 05, 2016	Transfer	(2)	10	10	20	4,44,029
h.	Aug 29, 2019	Acquisition of shares by way of Transfer of shares	2	10	10	20	4,44,031
i.	Sept 19, 2019	Bonus in the ratio of 7:1 i.e., 7 Equity Shares for every 1 Equity Share held	31,08,217	10	-	-	35,52,248
j.	Oct 10, 2019	Acquisition of shares by way of Transfer of shares	16	10	10	160	35,52,264
k.	Nov 15, 2019	Transfer	(100)	10	10	1,000	35,52,164

8.3. The Buy-back will not result in any benefit to the promoters, members of the promoter group and persons in control of the Company 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 Buy-back in their capacity as equity shareholders of the Company and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of equity shares which will lead to reduction in the equity share capital of the company post Buy-back.

8.4. The Buy-back would be subject to the condition of maintaining Minimum Public Shareholding requirements as specified in Regulation 38 of SEBI (LODR) Regulations, 2015, as amended. Any change in the Voting Rights of the Promoters of the Company pursuant to completion of Buy-back will not result in any change in control over the Company.

9. NO DEFAULTS

The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

10. CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE SEBI BUY-BACK REGULATIONS AND THE ACT

- i. all the equity shares of the Company are fully paid-up;
- ii. the Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus issue till the expiry of the buy-back period i.e. from the date of declaration of results of the Postal Ballot Resolution till the date on which the payment of consideration to shareholders who have accepted the buy-back offer is made in accordance with the Act and the SEBI Buy-back Regulations ("Buy-back Period");
- iii. the Company, as per the provisions of Section 68(f) of the Act, shall not make any further issue of the same kind of Equity Shares or other securities including allotment of new equity shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buy-back 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;
- iv. unless otherwise as may be specifically permitted under any relaxation circular issued by SEBI, as per Regulation 24(i)(f) of the SEBI Buy-back Regulations, the Company shall not raise further capital for a period of one year from the expiry of the Buy-back Period i.e. the date on which the payment of consideration to shareholders who have accepted the buy-back offer is made except in discharge of subsisting obligations;
- v. the Company shall not buy-back its Equity 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 the Buy-back;
- vi. the aggregate amount of the Buy-back i.e. up to ₹ 3,60,00,000/- (Rupees Three Crore Sixty Lakhs only) does not exceed 25% of the total paid-up capital, securities premium account and free reserves of the Company as per the audited standalone and consolidated financial statements of the Company for the half year ended September 30, 2023;
- vii. the number of Equity Shares proposed to be purchased under the Buy-back i.e. 6,00,000 (Six Lakhs) Equity Shares does not exceed 25% of the total number of Equity shares in the total paid-up equity capital of the Company as on Financial Year ended March 31, 2023;
- viii. there are no pending schemes of amalgamation or compromise or arrangement pursuant to the Act ("Scheme") involving the Company, and no public announcement of the Buy-back shall be made during pendency of any such Scheme;
- ix. the Company shall not make any further offer of buy-back within a period of one year reckoned from the expiry of the Buy-back Period;
- x. the Company shall not withdraw the Buy-back offer after the letter of offer is filed with the SEBI or the public announcement of the offer of the Buy-back is made;
- xi. the Company shall comply with the statutory and regulatory timelines in respect of the Buy-back in such manner as prescribed under the Act and/or the SEBI Buy-back Regulations and any other applicable laws;
- xii. the Company shall not utilize any borrowed funds, whether secured or unsecured, of any form or nature, from banks or financial institutions for the purpose of buying back its Equity Shares tendered in the Buy-back;
- xiii. the Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies, or through any investment company or group of investment companies;
- xiv. the Company shall earmark and make arrangements for adequate sources of funds for the purpose of the Buy-back in accordance with the SEBI Buy-back Regulations;
- xv. the company is in compliance with the provisions of Section 92, 123, 127 and 129 of the Act;
- xvi. the Company will ensure consequent reduction of its share capital post Buy-back and the Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the SEBI Buy-back Regulations and the Act within the specified timelines;
- xvii. there are no defaults (either in past or subsisting) in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any shareholder or financial institution or banking company, as the case may be;
- xviii. the Company will not buy-back Equity Shares which are locked-in or non-transferable until the pendency of such lock-in or until the time the Equity Shares become transferable, as applicable;
- xix. the consideration for the Buy-back shall be paid by the Company only in cash;
- xx. the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-back shall be less than or equal to 2:1 of its paid-up capital and free reserves based on the audited standalone and consolidated financial statements of the Company as on half year ended September 30, 2023 respectively, as prescribed under the Act and the SEBI Buy-back Regulations;
- xxi. the Company shall transfer from its free reserves or securities premium account and/or such sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buy-back to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited standalone and consolidated financial statements of the Company for the half year ended September 30, 2023;
- xxii. the Buy-back shall not result in delisting of the Equity Shares or other specified securities from BSE Limited ("Stock Exchange");
- xxiii. the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations and under the Securities Contracts (Regulation) Rules, 1957, as amended;
- xxiv. as per Regulation 24(i)(e) of the SEBI Buy-back Regulations, the promoters and members of promoter group, and their associates shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoters and members of promoter group) from the date of this resolution till the closing of the Buy-back Offer;
- xxv. the Buy

Auditor's Responsibility:

Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:

- we have inquired into the state of affairs of the Company in relation to the half yearly audited financial statements as at September 30, 2023;
- the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the half yearly audited financial statements as at September 30, 2023 in accordance with Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations; and
- the Board of Directors of the Company, in their Meeting held on Monday the 06th November 2023 have formed the opinion as specified in Clause (x) of Schedule 1 to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date with regard to the proposed buyback as declared.

The half yearly audited financial statements referred to in paragraph 7 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated 06th November 2023. We conducted our audit of the half yearly financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("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. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. We accordingly performed the following procedures:

- Examined that the amount of permissible capital payment for the buyback as detailed in Annexure A is in accordance with the Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations; and
- Inquired into the state of affairs of the Company with reference to the audited financial statements as at September 30, 2023;
- Traced the amounts of paid-up equity share capital, retained earnings and general reserves as mentioned in Annexure A from the audited financial statements as at September 30, 2023;
- Verified the arithmetical accuracy of the amounts mentioned in Annexure A;
- Examined authorization for buyback from the Articles of Association of the Company, approved by Board of Directors in its meeting held on Monday the 06th November 2023;
- 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 capital and free reserves based on the audited financial statements of the Company as on September 30, 2023;
- Examined that all shares for buy-back are fully paid-up;
- Examined Director's declarations for the purpose of buyback and solvency of the Company; and
- Inquired if the Board of Directors, in its meeting held on Monday the 06th November 2023, has formed the opinion as specified in Clause (x) of Schedule 1 to 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 the Board meeting.

(x) Obtained necessary representations from the management of the Company;

We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buyback.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion:

Based on inquiries conducted and our examination as above, we report that:

- We have inquired into the state of affairs of the Company in relation to its half yearly audited financial statements as at and for the year ended September 30, 2023, which have been approved by the Board of Directors of the Company on Monday the 06th November 2023.
- The amount of permissible capital payment towards the proposed buyback of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68(2)(c) of the Act and Regulation 4(i) of Buyback Regulation. The amounts of share capital and free reserves used in the computation of permissible capital payment have been accurately extracted from the audited financial statements of the Company as at and for the half year ended September 30, 2023.
- The Board of Directors of the Company, at their meeting held on Monday the 06th November 2023 have formed their opinion as specified in clause (x) of Schedule 1 to the Buyback Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date i.e. Monday the 06th November 2023.

Based on the representations made by the management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, 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 is unreasonable in circumstances as at 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 as mentioned in paragraph 5 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, and any other regulatory authority as per applicable law; and (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and (c) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S.R. RAHALKAR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.108283W

S.R. Rahalkar
Partner

Place: Nashik
Date: 06th November 2023

Membership Number-014509
UDIN: 23014509BGUQTR7305

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") and Regulation 4(i) of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, based on half yearly audited financial statements as at and for the year ended September 30, 2023.

Particulars	Amount
(A) Paid up Equity Share Capital as on 30 th September, 2023. (14287832 fully paid up Equity Shares of INR 10/- each)	1428.78
(B) Free reserves*	
Security premium	243.80
Reserves	112.07
Surplus	172.37
Total Free Reserves	528.24
Total Paid-up Equity Share Capital and Free Reserves (A+B)	1957.02
Maximum amount permissible for buyback under Section 68(2)(c) of the Act and Regulation 4(i) of the SEBI Buyback Regulations (25% of the Total of the Paid up Equity Share Capital and Free Reserves)	489.26
Amount approved by the board of directors subject to approval of shareholders for the buyback in the meeting held on Monday 06 th November 2023	360.00

* Free Reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013 as Amended.

For and on behalf of Board of Directors of SM Auto Stamping Limited (Formerly known as S M Auto Stamping Private Limited)

For S.R. RAHALKAR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.108283W

S.R. Rahalkar
Partner

Company Secretary
Membership Number-65674

Date: 06/11/2023

Place: Nashik
UDIN : 23014509BGUQTR7305

Ungquote

13. PRIOR APPROVALS FROM LENDERS

As on the date this Public Announcement, the Company has obtained certain financing arrangements / borrowings with banks, financial institutions and other entities ("Lenders"). The Company has obtained such approvals as may be required from the lenders pursuant to the provisions of such facilities.

14. RECORD DATE AND SHAREHOLDER ENTITLEMENT

As required under the SEBI Buy-back Regulations, the Company has fixed Friday, December 22, 2023 as the record date ("Record Date") for the purpose of determining the entitlement and the names of the Eligible Shareholders, who will be eligible to participate in the Buy-back.

As per the SEBI Buy-back Regulations and such other circulars or notifications, as may be applicable, the Eligible Shareholders as on the Record Date will receive a Letter of Offer along with a Tender Form including Form SH-4, as applicable, ("Letter of Offer") indicating the entitlement of the Eligible Shareholder for participating in the Buy-back. Even if the Eligible Shareholder does not receive the Letter of Offer, the Eligible Shareholder may participate and tender Equity Shares in the Buy-back.

As required under the SEBI Buy-back Regulations, the dispatch of the Letter of Offer shall be through electronic mode only, within two (2) working days from the Record Date and that if any shareholder requires a physical copy of the Letter of Offer, a request has to be sent to the Company or Registrar to the Buy-back and the same shall be provided.

The Equity Shares to be bought back as a part of the Buy-back is divided in two categories: (a) reserved category for small shareholders (defined below); and (b) general category for all other eligible shareholders.

As defined in Regulation 2(i)(n) of the SEBI Buy-back Regulations, a "Small Shareholder" is a shareholder of the Company who holds Equity Shares having market value, on the basis of closing price of such Equity Shares on stock exchange as on Record Date, is not more than ₹ 2,00,000 (Indian Rupees Two Lakh only).

In accordance with the proviso to Regulation 6 of the SEBI Buy-back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back or 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 Buy-back. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

Based on 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 Buy-back. This entitlement for each eligible shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-back applicable in the category to which such shareholder belongs. The final number of Equity Shares the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. 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. Accordingly, the Company may not purchase all of the Equity Shares tendered by the Eligible Shareholders in the Buy-back.

In accordance with Regulation 9(ix) of the SEBI Buy-back Regulations, in order to ensure that the same Eligible Shareholder with multiple demat accounts/ folios does not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and their entitlement under the Buy-back. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical Equity Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-back will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different

schemes/ sub-accounts and have a different demat account nomenclature based on information prepared by the registrar and transfer agent as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body-broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in the other category.

Shareholders' participation in Buy-back will be voluntary. Shareholders holding Equity Shares of the Company can choose to participate and receive cash in lieu of Equity Shares accepted under the Buy-back, or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buy-back, without any additional investment. Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. 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 shareholders, if any.

If the Buy-back 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 Buy-back.

The maximum tender under the Buy-back by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.

The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-back Regulations. The settlement of the tenders under the Buy-back will be done using the Stock Exchange Mechanism notified by SEBI vide the SEBI Circulars.

The Buy-back from shareholders who are persons resident outside India, including the foreign portfolio investors, erstwhile overseas corporate bodies and non-resident Indian, etc., shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999, as amended, and the rules and regulations framed there under, and such approvals shall be required to be taken by such non-resident shareholders themselves.

Detailed instructions for participation in the Buy-back (tender of Equity Shares in the Buy-back) as well as the relevant timetable will be included in the Letter of Offer which will be sent through email along with the tender form in due course to the shareholders holding Equity Shares of the Company as on the Record Date, who have their email IDs registered with the Company/Registrar and Transfer Agent to the Company/ Depository. However, on receipt of a request by the Company/Manager to the Buy-back or Registrar to the Buy-back to receive a copy of Letter of Offer in physical format from such Shareholder (to whom Letter of Offer and tender form were emailed), the same will be sent physically. For all the remaining Shareholders who do not have their email IDs registered with the Company/ Registrar and Transfer Agent/ Depository, the Letter of Offer along with tender form will be sent physically.

15. PROCESS AND METHODOLOGY FOR THE BUY-BACK

The Buy-back is open to all eligible shareholders/beneficial owners of the Equity Shares of the Company, holding Equity Shares either in physical form ("Physical Shares") or in the dematerialized form ("Demat Shares") on the Record Date.

The Buy-back shall be implemented using the Stock Exchange Mechanism notified by SEBI vide the SEBI Circulars and in accordance with the procedure prescribed in the Act and the SEBI Buy-back 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.

For implementation of the Buy-back, the Company has appointed Choice Equity Broking Private Limited as the registered broker to the Company ("Company Broker") to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buy-back and through whom the purchases and settlements on account of the Buy-back would be made by the Company. The contact details of the Company's Broker are as follows:

Name: Choice Equity Broking Private Limited
Address: Choice House, Sunil Patodia Tower, JB Nagar, Andheri (East), Mumbai-400099, Maharashtra, India.
Contact Person: Mr. Jeetender Joshi (Senior Manager)
Tel.No.: +91 22-67079999 (Ext. 832); **E-mail ID:** jeetender.joshi@choiccindia.com; **Website:** www.choiccindia.com
Investor Grievance Email ID: ig@choiccindia.com; **SEBI Registration No:** INZ000160131

The Company will request BSE Limited ("BSE"), being the designated stock exchange ("Designated Stock Exchange"), to provide a separate window ("Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buy-back. The details of the Acquisition Window will be as specified by BSE from time to time.

At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through the Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock-brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares.

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

Eligible Shareholders will have to tender their Equity Shares from the same demat account in which they were holding such 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 and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buy-back.

Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will only be allowed during the tendering period of the Buy-back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

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

Further, the Company will not accept Equity Shares tendered for Buy-back which are under restraint order of the court or 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.

In accordance with Regulation 24(v) of the Buyback Regulations, the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable.

15.12. Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialised form:

a) Eligible Shareholders who desire to tender their demat shares under the Buy-back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-back.

b) The Shareholder Broker would be required to place an order/ bid on behalf of the Eligible Shareholder who wish to tender demat shares in the Buy-back using the Acquisition Window of the Designated Stock Exchange (BSE). For further details, Eligible Shareholders may refer to the circulars issued by BSE and Indian Clearing Corporation Limited ("Clearing Corporation")

c) The relevant details and the settlement number under which the lien will be marked on the Equity Shares tendered for the Buy-back shall be informed in a separate circular that will be issued by the Designated Stock Exchange and/or the Clearing Corporation.

d) The lien shall be marked by the Shareholder Broker in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of the shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to the Clearing Corporation. In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buy-back shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer ("IDT") instruction shall be initiated by the Eligible Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Eligible Shareholder's securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.

e) For custodian participant orders for demat shares, early pay-in is mandatory prior to confirmation of order/ bid by custodian participant. The custodian participant shall either confirm or reject the orders no 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.

f) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/ bid has been placed. TRS will contain details of 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.

g) It is clarified that in case of demat shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.

h) Eligible shareholders who have tendered their demat shares in the buy-back shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not be limited to): (i) duly attested power of attorney, if any person other than the eligible shareholder has signed the tender form; (ii) duly attested/notarized copy of death certificate and succession certificate/ legal heirship certificate or probated will, in case any eligible shareholder is deceased, or court approved scheme of merger/ amalgamation for a company; and (iii) in case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

i) 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 prorated buy-back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of buy-back of shares by the Company. In the event if any equity shares are tendered to Clearing Corporation, excess dematerialized equity shares or unaccepted dematerialized equity shares, if any, tendered by the eligible shareholders would be returned to them by the respective Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the eligible shareholder. On the date of the settlement, in case of Custodian Participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be returned to the respective custodian depository pool account.

15.13. Procedure to be followed by registered Equity Shareholders holding Equity Shares in the Physical Form:

a) In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2020/144, dated July 31, 2020, shareholders holding shares in physical form are allowed to tender such shares in a buy-back undertaken through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buy-back Regulations and terms of Letter of Offer.

b) Eligible Shareholders who are holding physical shares and intend to participate in the Buy-back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (a) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (b) original share certificate(s), (c) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferees (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (d) self-attested copy of PAN Card(s) of all Eligible Shareholders, (e) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is 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 Aadhaar card, voter identity card or passport.

c) Based on aforesaid documents, the concerned Shareholder Broker shall place an order/bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-back, using the acquisition window of BSE. Upon placing the bid, the Shareholder broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered, etc.

d) Any Shareholder Broker/ Eligible Shareholder who places a bid for physical shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-back (at the address mentioned at paragraph 18 below) on or before the Buy-back closing date. The envelope should be superscribed as "SM Auto Stamping Limited Buy-back Acknowledgement 2023". One copy of the TRS will be retained by the Registrar to the Buy-back and it will provide acknowledgement of the same to the Shareholder Broker.

e) The Eligible Shareholders 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 Buy-back by the Company shall be subject to verification as per the SEBI Buy-back Regulations and any further directions issued in this regard. The Registrar to the Buy-back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as "unconfirmed physical bids". Once Registrar to the Buy-back confirms the bids, they will be treated as "confirmed bids".

f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buy-back before the closure of the tendering period of the Buy-back.

g) An unregistered shareholder holding physical shares may also tender their Equity Shares in the Buy-back 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. In the tendering process, the Shareholder's Broker may also process the orders received from the Eligible Shareholders.

15.14. Participation in the Buy-back by the Eligible Shareholders will be subject to tax on distributed income to such shareholders ("Buy-back Tax") in India and such tax obligation is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income Tax Act, 1961 read with applicable rules framed thereunder. However, in case of non-resident shareholders, this may be subject to capital gains taxation in hands of the shareholders in their respective tax jurisdiction. The transaction of the Buy-back would also be chargeable to securities transaction tax in India. Any consideration received by Eligible Shareholders pursuant to the Buy-back of shares will not be included in the total taxable income of such shareholders. 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 Buy-back.

15.15. The Buy-back 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 RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.

15.16. The reporting requirements for non-resident shareholders under RBI, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the Seller Member through which the Eligible Shareholder places the bid.

16. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per the SEBI Buy-back Regulations:

i. The settlement of trades shall be carried out in the manner similar to settlement of trade(s) in the secondary market.

ii. The Company will pay the consideration to the Company Broker, which will transfer the consideration pertaining to the Buy-back to the Clearing Corporation's bank account(s) as per the prescribed schedule. The settlement of fund obligation for demat shares shall be affected as per the SEBI Circulars and as prescribed by BSE and Clearing Corporation from time to time. For demat shares accepted under the Buy-back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by the RBI/ the concerned banks, due to any reason, then the amount payable to the concerned shareholders will be transferred to the settlement account of the Shareholder Broker for onward transfer to such Eligible Shareholders.

iii. For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Shareholder broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account.

iv. In case of certain Eligible Shareholders viz., NRIs, non-residents etc. (where there are specific RBI and other regulatory requirements pertaining to funds payout) who do not opt to settle through custodians, the funds payable would be given to their respective Shareholder Broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.

v. Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buy-back. On receipt of the same, Clearing Corporation will cancel lien on the excess or unaccepted blocked shares in the demat account of the shareholder. On the settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.

vi. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the eligible shareholder.

vii. Any excess demat shares or unaccepted demat shares, if any, tendered by the eligible shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholders' DP Account. In case of custodian participant orders, excess demat shares or unaccepted demat shares, if any, will be returned to the respective custodian depository pool account. In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. The 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 Buy-back. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted blocked shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities 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.

viii. The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for the Buy-back ("Company Demat Escrow Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

ix. The Eligible Shareholders of the demat shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of demat shares, due to rejection or due to non-acceptance in the Buy-back. 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 buy-back of shares by the Company.

x. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Eligible Shareholder(s) directly by the Registrar to the Buy-back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case

SM AUTO STAMPING LIMITED

Corporate Identification Number (CIN): L27109MH2006PLC163789

Registered Office: J-41, MIDC Ambad, Nashik-422010, Maharashtra, India

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Tel. No.: +91 253 6621102 ; Fax: +91 253 6601444

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Contact Person: Pawan Mahajan, Company Secretary and Compliance Officer

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF SM AUTO STAMPING LIMITED IN CONNECTION WITH THE BUY-BACK OF EQUITY SHARES ON A PROPORTIONATE BASIS THROUGH A TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement ("Public Announcement") is being made, in relation to the buy-back of fully paid-up equity shares, having a face value of ₹ 10/- (Rupees Ten only) each ("Equity Shares"), by SM Auto Stamping Limited ("Company") from the equity shareholders/beneficial owners of the Company ("Buy-back") through the tender offer route using the Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting ("Stock Exchange Mechanism") notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI Circular CFR/DCR2/CIR/P/2016/131 dated December 9, 2016 and the SEBI 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 ("SEBI Circulars") or such circulars or notifications, as may be applicable, pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (including any statutory modification(s), amendment(s) or re-enactments from time to time) ("SEBI Buy-back Regulations") and contains the disclosures as specified in Schedule II read with Schedule I of the SEBI Buy-back Regulations.

OFFER TO BUY-BACK UP TO 6,00,000 (SIX LAKH) FULLY PAID-UP EQUITY SHARES HAVING FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH OF THE COMPANY ("EQUITY SHARES") AT A PRICE OF ₹ 60/- (RUPEES SIXTY ONLY) ("BUY-BACK PRICE") PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE AMOUNT NOT EXCEEDING ₹ 3,60,00,000/- (RUPEES THREE CRORE AND SIXTY LAKH ONLY), FROM THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE, ON A PROPORTIONATE BASIS THROUGH TENDER OFFER ROUTE USING THE 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 row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUY-BACK OFFER AND BUY-BACK PRICE

1.1. The Board of Directors of the Company (the "Board"), which expression shall include any committee constituted and authorized by the Board to exercise its powers related to buy-back i.e., the "Buy-back Committee", at its meeting held on Monday, November 06, 2023 ("Board Meeting") had, subject to the approval of the Members of the Company by way of a special resolution through postal ballot and subject to such approvals of regulatory and/or statutory authorities as may be required under applicable laws, approved the buy-back of up to 6,00,000 (six lakh) Equity Shares ("Maximum Buy-back Shares"), from all of the equity shareholders / beneficial owners of the equity shares of the Company as on the Record Date, on a proportionate basis, through the Tender Offer route using Stock Exchange Mechanism in accordance with the provisions of the Companies Act, 2013, as amended (the "Act") read with the rules framed under the Act including the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 ("Management and Administration Rules") and other relevant rules made thereunder, each as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), to the extent applicable, SEBI Buy-back Regulations and the SEBI Circulars or notifications, including any amendments thereof, at a price of ₹ 60 (Rupees Sixty only) per Equity Share ("Buy-back Price") payable in cash for an aggregate consideration not exceeding ₹ 3,60,00,000 (Rupees Three Crore Sixty Lakh only) ("Buy-back Size") excluding transaction costs, applicable taxes and other incidental and related expenses ("Buy-back").

1.2. The Buy-back is further subject to approvals, permissions, consents, sanctions and exemptions, as may be necessary, and subject to such conditions and modifications, if any, from time to time from statutory, regulatory or governmental authorities as required under applicable laws, including but not limited to Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Mumbai ("ROC"), and the stock exchange where the Equity Shares of the Company are listed i.e. BSE Limited ("BSE") or the "Stock Exchange" and/or other authorities, institutions or bodies (together with SEBI and BSE the "Appropriate Authorities"), as may be necessary, and subject to such conditions, alterations, amendments and modifications as may be prescribed or imposed by them while granting such approvals, permissions, consents, sanctions and exemptions which may be agreed and by the Board.

1.3. The Buy-back Size does not include any expenses incurred or to be incurred for the Buy-back viz. the tax payable under the Income Tax Act, 1961 and other applicable laws, brokerage costs, fees, turnover charges, securities transaction tax and goods and services tax (if any), stamp duty, advisors/legal fees, filing fees to SEBI and any other Appropriate Authorities, Stock Exchange charges, printing and dispatch expenses, if any, public announcement publication expenses and other incidental and related expenses and charges ("Transaction Costs").

1.4. The Buy-back is pursuant to Article 25 of the Articles of Association of the Company, and the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Act, the relevant rules framed thereunder, including the Share Capital Rules, the Management and Administration Rules, SEBI Listing Regulations, to the extent applicable, and the SEBI Buy-back Regulations read with SEBI Circulars or notifications, as may be applicable, including any amendment thereof.

1.5. The Buy-back Size represents 18.40% and 17.05% of the aggregate paid-up capital and free reserves of the Company, as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023, respectively, (the latest audited financial statements available as on the date of the Board Meeting, recommending the proposal of the Buy-back) and is within the prescribed limit of 25% of the aggregate paid-up capital and free reserves of the Company as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023, in compliance with the proviso to Section 68(2)(b) of the Act and proviso to Regulation 4 of the SEBI Buy-back Regulations. Further, the Maximum Buy-back Shares represents 4.20% of the total number of equity shares in the total paid-up equity capital of the Company as on March 31, 2023, which is within the limit of 25% as per the provisions of the Act and the SEBI Buy-back Regulations.

1.6. Since the Buy-back constitutes more than 10% of the total paid-up equity share capital, securities premium account and free reserves of the Company, in terms of Section 68(2)(b) of the Act and Regulation 5(i)(b) of the SEBI Buy-back Regulations, the Board had sought approval of the shareholders of the Company for the Buy-back, by way of a special resolution.

1.7. The shareholders of the Company approved the Buy-back, by way of a special resolution, through postal ballot only by voting through electronic means ("remote e-voting") pursuant to a postal ballot notice dated November 06, 2023 (the "Postal Ballot Notice"), the results of which were announced on Saturday, December 09, 2023.

1.8. The Equity Shares are listed only on SME platform of BSE Limited, Mumbai ("BSE" or "Stock Exchange").

1.9. The Buy-back shall be undertaken on a proportionate basis from all the equity shareholders/beneficial owners of the Company, who hold Equity Shares as on Friday, December 22, 2023 ("Record Date") (such shareholders being the "Eligible Shareholders") through the tender offer route prescribed under Regulation 4(v)(a) and Regulation 6 of the SEBI Buy-back Regulations and shall be implemented using the Stock Exchange Mechanism notified by SEBI vide the SEBI Circulars. In this regard, the Company will request BSE Limited ("BSE") to provide the acquisition window for facilitating tendering of Equity Shares under the Buy-back and for the purposes of this Buy-back, BSE will be the designated stock exchange. Please refer to Paragraph 14 below for details regarding the Record Date and Shareholder Entitlement for tendering in the Buy-back.

1.10. In terms of the SEBI Buy-back Regulations, under the tender offer route, the promoters, members of the promoter group and persons in control of the Company have an option to participate in the Buy-back. In this regard, Suresh Gunwant Fegde and Alka Mukund Kulkarni, the Promoters of the Company, vide their letter(s) dated November 03, 2023, have expressed their intention to participate in the Buy-back and may tender, based on its entitlement, up to a maximum of 6,00,000 Equity Shares or such lower number of Equity Shares, in accordance with the provisions of the SEBI Buy-back Regulations.

1.11. The Buy-back will not result in any benefit to the promoters, members of the promoter group and persons in control of the Company 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 Buy-back in their capacity as equity shareholders of the Company and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of equity shares which will lead to reduction in the equity share capital of the company post Buy-back. Any change in the Voting Rights of the Promoters of the Company pursuant to completion of Buy-back will not result in any change in control over the Company.

1.12. As required under Section 68(2)(d) of the Act and the SEBI Buy-back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-back will be less than or equal to 2:1 of its paid-up capital and free reserves based on the audited standalone and consolidated financial statements of the Company as on half year ended September 30, 2023 respectively, whichever sets out as lower amount.

1.13. The Buy-back would be subject to the condition of maintaining Minimum Public Shareholding requirements as specified in Regulation 38 of SEBI (LODR) Regulations, 2015, as amended.

1.14. Participation in the Buy-back by the Eligible Shareholders will be subject to tax on distributed income to such shareholders ("Buy-back Tax") in India and such tax obligation is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income Tax Act, 1961 read with applicable rules framed thereunder. However, in case of non-resident shareholders, this may be subject to capital gains taxation in hands of the shareholders in their respective tax jurisdiction. The transaction of the Buy-back would also be chargeable to securities transaction tax in India. Any consideration received by Eligible Shareholders pursuant to the Buy-back of shares will not be included in the total taxable income of such shareholders. 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 Buy-back.

1.15. A copy of this Public Announcement is available on the Company's website at www.smautostamping.com, Manager to the Buy-back's website at www.safionadvisors.com and is expected to be available on the website of the SEBI at www.sebi.gov.in and on the website of the Stock Exchange at www.bseindia.com, during the period of the Buy-back.

2. NECESSITY FOR THE BUY-BACK

The Buy-back is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term and for returning surplus funds to the shareholders in an effective and efficient manner.

The Buy-back is being undertaken, *inter-alia*, for the following reasons:

- The Buy-back will help the Company to return surplus cash to its shareholders holding Equity Shares, thereby, enhancing the overall return to shareholders;
- The Buy-back, which is being implemented through the tender offer route as prescribed under the SEBI Buy-back Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the SEBI Buy-back Regulations;
- The Buy-back may help in improving its return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and
- The Buy-back gives an option to the shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-back Offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-back Offer, without additional investment.

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

3.1. The maximum amount required under the Buy-back will not exceed ₹ 3,60,00,000/- (Rupees Three Crore Sixty Lakhs only) ("Buy-back Size"), excluding Transaction Costs. The said amount works out to 18.40% and 17.05% of the aggregate paid-up capital and free reserves of the Company, as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023 (the latest audited financial statements available as on the date of Board Meeting recommending the proposal of the Buy-back), respectively, and is within the prescribed limit of 25% of the aggregate paid-up capital and free reserves of the Company as per the standalone audited financial statements and consolidated audited financial statements of the Company for the half year ended September 30, 2023, in compliance with the proviso to Section 68(2)(b) of the Act and proviso to Regulation 4 of the SEBI Buy-back Regulations.

3.2. The funds for the implementation of the Buy-back (including the Transaction Costs) will be sourced out of the mainly securities premium account and free reserves of the Company (retained earnings) and/or such other source as may be permitted by the SEBI Buy-back Regulations or the Act.

3.3. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited standalone and consolidated financial statements.

3.4. The funds borrowed, if any, from banks and financial institutions will not be used for the purpose of the Buy-back.

4. BUY-BACK PRICE AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE

- The Equity Shares of the Company are proposed to be bought back at a price of ₹ 60/- (Rupees Sixty only) ("Buy-back Price") per Equity Share.
- The Buy-back Price has been arrived at after considering various factors including, but not limited to (i) the share price benchmarks on the BSE, the only stock exchange where the volume of trading in the Equity Shares of the Company is recorded, (ii) the net worth of the Company, and (iii) Earnings Per Equity Share (iv) the closing market price of the Equity Shares on the Stock Exchange where the Equity Shares are listed as on the date of intimation of the Board Meeting for considering Buy-back (v) Book Value (vi) the closing market price of the Equity Shares on the Stock Exchange where the Equity Shares are listed as on the date of the Board Meeting for considering Buy-back.
- The Buy-back Price represents:
 - premium of 36.46% to the volume weighted average market price of the Equity Share on BSE, during the three months preceding Saturday, October 28, 2023, being the date of intimation to the Stock Exchange of the date of the Board Meeting to consider the proposal of the Buy-back ("Intimation Date");
 - premium of 51.90% over the closing market price of the Equity Shares on BSE, as on Wednesday, October 18, 2023, being a day on which the equity shares were quoted on BSE, preceding the Intimation Date;
 - premium of 50.63% over the volume weighted average market price of the Equity Shares on BSE, for two weeks preceding the Intimation Date;
 - premium of 42.86% over the closing market price of the Equity Shares on BSE, as on Friday, November 03, 2023, being a day on which the equity shares were quoted on BSE, preceding the date of Board Meeting;
 - Premium of 38.34% over the closing price of the Equity Shares on BSE, as on the date of Board Meeting i.e., November 06, 2023.
- Further, in accordance with Regulation 5(via) of the SEBI Buy-back Regulations, the Board/Buy-back Committee may increase the maximum Buy-back Price and decrease the number of Equity Shares proposed to be bought back provided that there is no change in the Buy-back Size, till one working day prior to the Record Date fixed for the purpose of Buy-back.

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to buy-back of not exceeding 6,00,000 (six lakh) Equity Shares of the Company, representing 4.20% of the total number of equity shares in the total paid-up equity capital of the Company as on March 31, 2023, which is within the limit of 25% as per the provisions of the Act and the SEBI Buy-back Regulations.

6. METHOD TO BE ADOPTED FOR THE BUY-BACK

The Buy-back shall be on a proportionate basis, through the tender offer route, as prescribed under the SEBI Buy-back Regulations, to the extent permissible, and the Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting ("Stock Exchange Mechanism") notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI Circular CFR/DCR2/CIR/P/2016/131 dated December 9, 2016 and the SEBI 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 ("SEBI Circulars"). The Buy-back will be implemented in accordance with the Act read with the rules framed there under, to the extent applicable, the SEBI Buy-back Regulations and on such terms and conditions as may be deemed fit by the Company.

7. DETAILS OF THE SHAREHOLDING AND TRANSACTIONS OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP, DIRECTORS OF PROMOTERS/MEMBERS OF THE PROMOTER GROUP, DIRECTORS, KEY MANAGERIAL PERSONNEL AND PERSON IN CONTROL OF THE COMPANY, IN THE EQUITY SHARES OF THE COMPANY

7.1. The aggregate shareholding of (i) promoters, members of the promoter group ("Promoter Group") and persons in control of the Company; (ii) the directors/partners/trustees of the Promoter and Promoter Group of the Company; and (iii) directors and key managerial personnel of the Company as on the Board Meeting Date / date of Postal Ballot Notice, i.e., Monday, November 06, 2023 and on the date of the Public Announcement i.e. December 11, 2023:

(i) Aggregate shareholding of the Promoter, Promoter Group and persons in control of the Company is as follows:

S. No.	Name of the Shareholder	No. of Equity Shares held	% of Shareholding
1.	Alka Mukund Kulkarni	68,95,352	48.26
2.	Suresh Gunwant Fegde	35,52,164	24.86
3.	Mukund Narayan Kulkarni	100	Negligible
4.	Ajinkya Mukund Kulkarni	100	Negligible
5.	Jayant Suresh Fegde	100	Negligible
6.	Aditya Mukund Kulkarni	8	Negligible
7.	Reshma Jayant Fegde	8	Negligible
	TOTAL	1,04,47,832	73.12

(ii) Aggregate shareholding of the directors/partners/trustees of the Promoter and Promoter Group of the Company, where the Promoter and Promoter Group is a company as on the Board Meeting Date / date of Postal Ballot Notice, i.e., Monday, November 06, 2023 and on the date of the Public Announcement i.e. December 11, 2023: **Not Applicable**, as all the Promoters and Promoter Group of the Company are individuals.

(iii) Aggregate Shareholding of the directors and key managerial personnel of the Company as on the Board Meeting Date / date of Postal Ballot Notice, i.e., Monday, November 06, 2023 and on the date of the Public Announcement i.e. December 11, 2023:

S. No.	Name of the Shareholder	Designation	No. of Equity Shares held	% of Shareholding
1.	Alka Mukund Kulkarni	Non-Executive Director	68,95,352	48.26
2.	Suresh Gunwant Fegde	Whole Time Director	35,52,164	24.86
3.	Mukund Narayan Kulkarni	Managing Director	100	Negligible
4.	Jayant Suresh Fegde	Non-Executive Director	100	Negligible
5.	Sunilkumarsatyanarain Dayama	Non-Executive Independent Director	-	-
6.	Sanjay Ramchandra Bhargava	Non-Executive Independent Director	-	-
7.	Pawan Mahajan	Company Secretary & Compliance Officer	-	-
8.	Suresh Jagdale	Chief Financial Officer	-	-
	TOTAL		1,04,47,716	73.12

7.2. No Equity Shares of the Company were either purchased or sold (either through the stock exchange or off market transactions) by the Promoter and Promoter Group, directors of the Promoter Company and persons who are in control of the Company, Directors and Key Managerial Personnel of the Company, during a period of six months preceding the date of the Board Meeting Date/date of Postal Ballot Notice, i.e. Monday, November 06, 2023, and from the date of the Board Meeting till the date of this Public Announcement i.e. December 11, 2023.

7.3. The maximum and minimum price at which purchases and sales referred at point 7.2 above were made along with the relevant dates: **Not Applicable**

8. INTENTION OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO TENDER THEIR EQUITY SHARES IN THE BUY-BACK

8.1. In terms of the SEBI Buy-back Regulations, under the tender offer route, the promoters, members of the promoter group and persons in control of the Company have an option to participate in the Buy-back. In this regard, Alka Mukund Kulkarni and Suresh Gunwant Fegde, the Promoters of the Company have expressed their intention to participate in the Buy-back vide their letter(s) dated November 03, 2023 and may tender, based on its entitlement, up to an aggregate maximum of 6,00,000 Equity Shares, as disclosed below, or such lower number of Equity Shares, in accordance with the provisions of the SEBI Buy-back Regulations or permitted under the applicable laws:

S. No.	Name of the Promoter Shareholder	Maximum Number of Equity Shares intended to be offered in the Buy-back
1.	Alka Mukund Kulkarni	4,00,000
2.	Suresh Gunwant Fegde	2,00,000
	TOTAL	6,00,000

8.2. Since the entire shareholding of Alka Mukund Kulkarni and Suresh Gunwant Fegde, who intend to participate in the Buy-back is in dematerialised form, the details of the date and price of acquisition/sale of the Equity Shares by them is set out below:

(i) Alka Mukund Kulkarni							
S. No.	Date of Transaction	Nature of Transaction	No. of Shares acquired/(sold)	Face Value (₹)	Transaction Price (₹)	Transaction Value (₹)	Cumulative No. of Shares
a.	March 25, 2014	Preferential Allotment	50,000	10	10	5,00,000	50,000
b.	Oct 27, 2014	Transfer	(1)	10	10	10	49,999
c.	June 08, 2015	Acquisition of shares by way of Transfer of shares	8,11,942	10	10	81,19,420	8,61,941
d.	Sept 01, 2015	Transfer	(1)	10	10	10	8,61,940
e.	June 21, 2016	Transfer	(1)	10	10	10	8,61,939
f.	Nov 12, 2018	Transfer	(1)	10	10	10	8,61,938
g.	Aug 29, 2019	Acquisition of share by way of Transfer of shares	4	10	10	40	8,61,942
h.	Sept 19, 2019	Bonus in the ratio of 7:1 i.e., 7 Equity Shares for every 1 Equity Share held	60,33,594	10	-	-	68,95,536
i.	Oct 10, 2019	Acquisition of shares by way of Transfer of shares	16	10	10	160	68,95,552
j.	Nov 15, 2019	Transfer	(200)	10	10	2,000	68,95,352

(ii) Suresh Gunwant Fegde							
S. No.	Date of Transaction	Nature of Transaction	No. of Shares acquired/(sold)	Face Value (₹)	Transaction Price (₹)	Transaction Value (₹)	Cumulative No. of Shares
a.	Aug 14, 2006	Subscriber to MOA	3,400	10	10	34,000	3,400
b.	March 29, 2009	Business Takeover	4,40,633	10	10	44,06,330	4,44,033
c.	Nov 21, 2012	Transfer	(2)	10	10	20	4,44,031
d.	Oct 10, 2013	Transfer	(2)	10	10	20	4,44,029
e.	June 08, 2015	Acquisition of share by way of Transfer of shares	3	10	10	30	4,44,032
f.	June 23, 2015	Transfer	(1)	10	10	10	4,44,031
g.	April 05, 2016	Transfer	(2)	10	10	20	4,44,029
h.	Aug 29, 2019	Acquisition of shares by way of Transfer of shares	2	10	10	20	4,44,031
i.	Sept 19, 2019	Bonus in the ratio of 7:1 i.e., 7 Equity Shares for every 1 Equity Share held	31,08,217	10	-	-	35,52,248
j.	Oct 10, 2019	Acquisition of shares by way of Transfer of shares	16	10	10	160	35,52,264
k.	Nov 15, 2019	Transfer	(100)	10	10	1,000	35,52,164

8.3. The Buy-back will not result in any benefit to the promoters, members of the promoter group and persons in control of the Company 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 Buy-back in their capacity as equity shareholders of the Company and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of equity shares which will lead to reduction in the equity share capital of the company post Buy-back.

8.4. The Buy-back would be subject to the condition of maintaining Minimum Public Shareholding requirements as specified in Regulation 38 of SEBI (LODR) Regulations, 2015, as amended. Any change in the Voting Rights of the Promoters of the Company pursuant to completion of Buy-back will not result in any change in control over the Company.

9. NO DEFAULTS

The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

10. CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE SEBI BUY-BACK REGULATIONS AND THE ACT

- all the equity shares of the Company are fully paid-up;
- the Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus issue till the expiry of the buy-back period i.e. from the date of declaration of results of the Postal Ballot Resolution till the date on which the payment of consideration to shareholders who have accepted the Buy-back offer is made in accordance with the Act and the SEBI Buy-back Regulations ("Buy-back Period");
- the Company, as per the provisions of Section 68(8) of the Act, shall not make any further issue of the same kind of Equity Shares or other securities including allotment of new equity shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buy-back 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;
- unless otherwise as may be specifically permitted under any relaxation circular issued by SEBI, as per Regulation 24(i)(f) of the SEBI Buy-back Regulations, the Company shall not raise further capital for a period of one year from the expiry of the Buy-back Period i.e. the date on which the payment of consideration to shareholders who have accepted the Buy-back offer is made except in discharge of subsisting obligations;
- the Company shall not buy-back its Equity 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 the Buy-back;
- the aggregate amount of the Buy-back i.e. up to ₹ 3,60,00,000/- (Rupees Three Crore Sixty Lakhs only) does not exceed 25% of the total paid-up capital, securities premium account and free reserves of the Company as per the audited standalone and consolidated financial statements of the Company for the half year ended September 30, 2023;
- the number of Equity Shares proposed to be purchased under the Buy-back i.e. 6,00,000 (Six Lakhs) Equity Shares does not exceed 25% of the total number of Equity Shares in the total paid-up equity capital of the Company as on Financial Year ended March 31, 2023;
- there are no pending schemes of amalgamation or compromise or arrangement pursuant to the Act ("Scheme") involving the Company, and no public announcement of the Buy-back shall be made during pendency of any such Scheme;
- the Company shall not make any further offer of buy-back within a period of one year reckoned from the expiry of the Buy-back Period;
- the Company shall not withdraw the Buy-back offer after the letter of offer is filed with the SEBI or the public announcement of the offer of the Buy-back is made;
- the Company shall comply with the statutory and regulatory timelines in respect of the Buy-back in such manner as prescribed under the Act and/or the SEBI Buy-back Regulations and any other applicable laws;
- the Company shall not utilize any borrowed funds, whether secured or unsecured, of any form or nature, from banks or financial institutions for the purpose of buying back its Equity Shares tendered in the Buy-back;
- the Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies, or through any investment company or group of investment companies;
- the Company shall earmark and make arrangements for adequate sources of funds for the purpose of the Buy-back in accordance with the SEBI Buy

Auditor's Responsibility:

7. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:

- we have inquired into the state of affairs of the Company in relation to the half yearly audited financial statements as at September 30, 2023;
- the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the half yearly audited financial statements as at September 30, 2023 in accordance with Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations; and
- the Board of Directors of the Company, in their meeting held on Monday the 06th November 2023 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date with regard to the proposed buyback are declared.

8. The half yearly audited financial statements referred to in paragraph 7 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated 06th November 2023. We conducted our audit of the half yearly financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the 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. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

9. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. We accordingly performed the following procedures:

- Examined that the amount of permissible capital payment for the buy back as detailed in Annexure A is in accordance with the Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations; and
- Inquired into the state of affairs of the Company with reference to the audited financial statements as at September 30, 2023;
- Traced the amounts of paid-up equity share capital, retained earnings and general reserves as mentioned in Annexure A from the audited financial statements as at September 30, 2023;
- Verified the arithmetical accuracy of the amounts mentioned in Annexure A;
- Examined authorization for buy back from the Articles of Association of the Company, approved by Board of Directors in its meeting held on Monday the 06th November 2023.
- 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 capital and free reserves based on the audited financial statements of the Company as on September 30, 2023;
- Examined that all shares for buy-back are fully paid-up;
- Examined Director's declarations for purpose of buy back and solvency of the Company; and
- Inquired if the Board of Directors, in its meeting held on Monday the 06th November 2023, has formed the opinion as specified in Clause (x) of Schedule I to 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 the Board meeting.
- Obtained necessary representations from the management of the Company;

10. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

11. 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. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buyback.

12. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion:

13. Based on inquiries conducted and our examination as above, we report that:

- We have inquired into the state of affairs of the Company in relation to its half yearly audited financial statements as at and for the year ended September 30, 2023, which have been approved by the Board of Directors of the Company on Monday the 06th November 2023.
- The amount of permissible capital payment towards the proposed buyback of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulation. The amounts of share capital and free reserves used in the computation of permissible capital payment have been accurately extracted from the audited financial statements of the Company as at and for the half year ended September 30, 2023.
- The Board of Directors of the Company, at their meeting held on Monday the 06th November 2023 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date i.e. Monday the 06th November 2023.

14. Based on the representations made by the management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, 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 is unreasonable in circumstances as at the date of declaration.

Restriction on use:

15. 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 as mentioned in paragraph 5 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, and any other regulatory authority as per applicable law; and (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and (c) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S.R. RAHALKAR & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No.108283W

S.R. Rahalkar
 Partner
 Membership Number-014509

Place: Nashik
 Date: 06th November 2023

UDIN: 23014509BGUQTR7305

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") and Regulation 4(i) of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, based on half yearly audited financial statements as at and for the year ended September 30, 2023.

Particulars	Amount
(A) Paid up Equity Share Capital as on 30th September, 2023. (14287832 fully paid up Equity Shares of INR 10/- each)	1428.78
(B) Free reserves*	
Security premium	243.80
Reserves	112.07
Surplus	172.37
Total Free Reserves	528.24
Total of Paid-up Equity Share Capital and Free Reserves (A+B)	1957.02
Maximum amount permissible for buyback under Section 68(2)(c) of the Act and Regulation 4(i) of the SEBI Buyback Regulations (25% of the Total of the Paid up Equity Share Capital and Free Reserves)	489.26
Amount approved by the board of directors subject to approval of shareholders for the buyback in the meeting held on Monday 6 th November 2023	360.00

* Free Reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013 as amended.

<p>For and on behalf of Board of Directors of SM AUTO Stamping Limited (Formerly known as M Auto Stamping Private Limited)</p> <p style="text-align: right;">Pawan Mahajan Company Secretary Membership Number-65674</p> <p>Date: 06/11/2023 Place: Nashik</p>	<p style="text-align: center;">For S.R. RAHALKAR & ASSOCIATES CHARTERED ACCOUNTANTS Firm Registration No.108283W</p> <p style="text-align: right;">S.R. Rahalkar Partner Membership Number-14509</p> <p style="text-align: right;">UDIN : 23014509BGUQTR7305</p>
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UNQUOTE

13. PRIOR APPROVALS FROM LENDERS

As on the date this Public Announcement, the Company has obtained certain financing arrangements / borrowings with banks, financial institutions and other entities ("Lenders"). The Company has obtained such approvals as may be required from the lenders pursuant to the provisions of such facilities.

14. RECORD DATE AND SHAREHOLDER ENTITLEMENT

14.1. As required under the SEBI Buy-back Regulations, the Company has fixed Friday, December 22, 2023 as the record date ("Record Date") for the purpose of determining the entitlement and the names of the Eligible Shareholders, who will be eligible to participate in the Buy-back.

14.2. As per the SEBI Buy-back Regulations and such other circulars or notifications, as may be applicable, the Eligible Shareholders as on the Record Date will receive a Letter of Offer along with a Tender Form including Form SH-4, as applicable, ("Letter of Offer") indicating the entitlement of the Eligible Shareholder for participating in the Buy-back. Even if the Eligible Shareholder does not receive the Letter of Offer, the Eligible Shareholder may participate and tender Equity Shares in the Buy-back.

14.3. As required under the SEBI Buy-back Regulations, the dispatch of the Letter of Offer shall be through electronic mode only, within two (2) working days from the Record Date and that if any shareholder requires a physical copy of the Letter of Offer, a request has to be sent to the Company or Registrar to the Buy-back and the same shall be provided.

14.4. The Equity Shares to be bought back as a part of the Buy-back is divided in two categories: (a) reserved category for small shareholders (defined below); and (b) general category for all other eligible shareholders.

14.5. As defined in Regulation 2(i)(n) of the SEBI Buy-back Regulations, a "Small Shareholder" is a shareholder of the Company who holds Equity Shares having market value, on the basis of closing price of such Equity Shares on stock exchange as on Record Date, is not more than ₹2,00,000 (Indian Rupees Two Lakh only).

14.6. In accordance with the proviso to Regulation 6 of the SEBI Buy-back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buy-back or 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 Buy-back. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

14.7. Based on 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 Buy-back. This entitlement for each eligible shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-back applicable in the category to which such shareholder belongs. The final number of Equity Shares the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. The Company shall accept all the Equity Shares validly tendered in the Buy-back by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date. Accordingly, the Company may not purchase all of the Equity Shares tendered by the Eligible Shareholders in the Buy-back.

14.8. In accordance with Regulation 9(i) of the SEBI Buy-back Regulations, in order to ensure that the same Eligible Shareholder with multiple demat accounts/ folios does not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and their entitlement under the Buy-back. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical Equity Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-back will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc, with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different

schemes/ sub-accounts and have a different demat account nomenclature based on information prepared by the registrar and transfer agent as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body-broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

14.9. After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in the other category.

14.10. Shareholders' participation in Buy-back will be voluntary. Shareholders holding Equity Shares of the Company can choose to participate and receive cash in lieu of Equity Shares accepted under the Buy-back, or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buy-back, without any additional investment. Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. 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 shareholders, if any.

14.11. If the Buy-back 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 Buy-back.

14.12. The maximum tender under the Buy-back by any shareholder cannot exceed the number of Equity Shares held by the 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.

14.13. The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-back Regulations. The settlement of the tenders under the Buy-back will be done using the Stock Exchange Mechanism notified by SEBI vide the SEBI Circulars.

14.14. The Buy-back from shareholders who are persons resident outside India, including the foreign portfolio investors, erstwhile overseas corporate bodies and non-resident Indian, etc., shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999, as amended, and the rules and regulations framed there under, and such approvals shall be required to be taken by such non-resident shareholders themselves.

14.15. Detailed instructions for participation in the Buy-back (tender of Equity Shares in the Buy-back) as well as the relevant timetable will be included in the Letter of Offer which will be sent through email along with the tender form in due course to the shareholders holding Equity Shares of the Company as on the Record Date, who have their email IDs registered with the Company/Registrar and Transfer Agent to the Company/ Depository. However, on receipt of a request by the Company/Manager to the Buy-back or Registrar to the Buy-back to receive a copy of Letter of Offer in physical form from such Shareholder (to whom Letter of Offer and tender form were emailed), the same will be sent physically. For all the remaining Shareholders who do not have their email IDs registered with the Company/ Registrar and Transfer Agent/ Depository, the Letter of Offer along with tender form will be sent physically.

15. PROCESS AND METHODOLOGY FOR THE BUY-BACK

15.1. The Buy-back is open to all eligible shareholders/beneficial owners of the Equity Shares of the Company, holding Equity Shares either in physical form ("Physical Shares") or in the dematerialized form ("Demat Shares") on the Record Date.

15.2. The Buy-back shall be implemented using the Stock Exchange Mechanism notified by SEBI vide the SEBI Circulars and in accordance with the procedure prescribed in the Act and the SEBI Buy-back 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.

15.3. For implementation of the Buy-back, the Company has appointed Choice Equity Broking Private Limited as the registered broker to the Company ("Company Broker") to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buy-back and through whom the purchases and settlements on account of the Buy-back would be made by the Company. The contact details of the Company's Broker are as follows:

Name: Choice Equity Broking Private Limited
Address: Choice House, Sunil Patodi Tower, J B Nagar, Andheri (East), Mumbai-400099, Maharashtra, India;
Contact Person: Mr. Jeetender Joshi (Senior Manager),
Tel.No.: +91 22-47079999 (Ext. 832); **E-mail ID:** jeetender.joshi@choiceindia.com;
Website: www.choiceindia.com
Investor Grievance Email ID: igg@choiceindia.com; **SEBI Registration No.:** IN2000160131

15.4. The Company will request BSE Limited ("BSE"), being the designated stock exchange ("Designated Stock Exchange"), to provide a separate window ("Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buy-back. The details of the Acquisition Window will be as specified by BSE from time to time.

15.5. At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through the Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock-brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares.

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

15.7. Eligible Shareholders will have to tender their Equity Shares from the same demat account in which they were holding such 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 and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buy-back.

15.8. Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will only be allowed during the tendering period of the Buy-back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

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

15.10. Further, the Company will not accept Equity Shares tendered for Buy-back which are under restraint order of the court or 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.

15.11. In accordance with Regulation 24(v) of the Buyback Regulations, the Company shall not buyback Locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable.

15.12. Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form:

- Eligible Shareholders who desire to tender their demat shares under the Buy-back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-back.
- The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wish to tender demat shares in the Buy-back using the Acquisition Window of the Designated Stock Exchange (BSE). For further details, Eligible Shareholders may refer to the circulars issued by BSE and Indian Clearing Corporation Limited ("Clearing Corporation").
- The relevant details and the settlement number under which the lien will be marked on the Equity Shares tendered for the Buy-back shall be informed in a separate circular that will be issued by the Designated Stock Exchange and/or the Clearing Corporation.
- The lien shall be marked by the Shareholder Broker in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of the shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to the Clearing Corporation. In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buy-back shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Order ("IDT") instruction shall be initiated by the Eligible Shareholder at source depository to clearing member pool clearing corporation account at target depository. Source depository shall block the Eligible Shareholder's securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- For custodian participant orders for demat shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian participant shall either confirm or reject the orders no 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.

f) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of 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.

g) It is clarified that in case of demat shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.

h) Eligible shareholders who have tendered their demat shares in the buy-back shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not be limited to): (i) duly attested power of attorney, if any person other than the eligible shareholder has signed the tender form; (ii) duly attested/notarized copy of death certificate and succession certificate/legal heirship certificate or probated will, in case any eligible shareholder is deceased, or court approved scheme of merger/amalgamation for a company; and (iii) in case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

i) 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 account buy-back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of buy-back of shares by the Company. In the event if any equity shares are tendered to Clearing Corporation, excess dematerialized equity shares or unaccepted dematerialized equity shares, if any, tendered by the eligible shareholders would be returned to them by the respective Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the eligible shareholder. On the date of the settlement, in case of Custodian Participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be returned to the respective custodian depository pool account.

15.13. Procedure to be followed by registered Equity Shareholders holding Equity Shares in the Physical Form:

- In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2020/144, dated July 31, 2020, shareholders holding shares in physical form are allowed to tender such shares in a buy-back undertaken through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buy-back Regulations and terms of Letter of Offer.
- Eligible Shareholders who are holding physical shares and intend to participate in the Buy-back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (a) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (b) original share certificate(s), (c) valid share transfer form(s) Form SH-4 duly filled and signed by the transferees (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (d) self-attested copy of PAN Card(s) of all Eligible Shareholders, (e) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is 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 Aadhaar card, voter identity card or passport.
- Based on aforesaid documents, the concerned Shareholder Broker shall place an order/bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-back, using the acquisition window of BSE. Upon placing the bid, the Shareholder broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered, etc.
- Any Shareholder Broker/ Eligible Shareholder who places a bid for physical shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-back (at the address mentioned at paragraph 18 below) on or before the Buy-back closing date. The envelope should be superscribed as "SM AUTO Stamping Limited Buy-back Offer 2023". One copy of the TRS will be retained by the Registrar to the Buy-back and it will provide acknowledgement of the same to the Shareholder Broker.

e) The Eligible Shareholders 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 Buy-back by the Company shall be subject to verification as per the SEBI Buy-back Regulations and any further directions issued in this regard. The Registrar to the Buy-back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buy-back confirms the bids, they will be treated as 'confirmed bids'.

f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buy-back before the closure of the tendering period of the Buy-back.

g) An unregistered shareholder holding physical shares may also tender their Equity Shares in the Buy-back by submitting the duly executed tender 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. In the tendering process, the Shareholder's Broker may also process the orders received from the Eligible Shareholders.

15.14. Participation in the Buy-back by the Eligible Shareholders will be subject to tax on distributed income to such shareholders ("Buy-back Tax") in India and such tax obligation is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income Tax Act, 1961 read with applicable rules framed thereunder. However, in case of non-resident shareholders, this may be subject to capital gains taxation in hands of the shareholders in their respective tax jurisdiction. The transaction of the Buy-back would also be chargeable to securities transaction tax in India. Any consideration received by Eligible Shareholders pursuant to the Buy-back of shares will not be included in the total taxable income of such shareholders. 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 Buy-back.

15.15. The Buy-back 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 RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.

15.16. The reporting requirements for non-resident shareholders under RBI, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the Seller Member through which the Eligible Shareholder places the bid.

16. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per the SEBI Buy-back Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trade(s) in the secondary market.
- The Company will pay the consideration to the Company Broker, which will transfer the consideration pertaining to the Buy-back to the Clearing Corporation's bank account (s) as per the prescribed schedule. The settlement of fund obligation for demat shares shall be affected as per the SEBI Circulars and as prescribed by BSE and Clearing Corporation from time to time. For demat shares accepted under the Buy-back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by the RBI/ the concerned bank(s), due to any reason, then the amount payable to the concerned shareholders will be transferred to the settlement account of the Shareholder Broker for onward transfer to such Eligible Shareholders.
- For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Shareholder broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account.

iv. In case of certain Eligible Shareholders viz., NRIs, non-residents etc. (where there are specific RBI and other regulatory requirements pertaining to funds payout) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.

v. Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buy-back. On receipt of the same, Clearing Corporation will cancel lien on the excess or unaccepted blocked shares in the demat account of the shareholder. On the settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.

vi. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the eligible shareholder.

vii. Any excess demat shares or unaccepted demat shares, if any, tendered by the eligible shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholders' DP Account. In case of custodian participant orders, excess demat shares or unaccepted demat shares, if any, will be returned to the respective custodian depository pool account. In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. The 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 Buy-back. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted blocked shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities 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.

viii. The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for the Buy-back ("Company Demat Escrow Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

ix. The Eligible Shareholders of the demat shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of demat shares, due to rejection or due to non-acceptance in the Buy-back. 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 buy-back of shares by the Company.

x. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Eligible Shareholders (s) directly by the Registrar to the Buy-back. 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 Buy-back by the Equity Shareholders holding Equity Shares in the physical form.

xi. The Shareholder Broker(s) would issue a contract note to their respective Eligible Shareholders for the Equity Shares accepted under the Buy-back. The Company Broker would issue a contract note to the Company for the Equity Shares accepted under the Buy-back.

xii. Eligible Shareholders who intend to participate in the Buy-back should consult their respective Shareholder Broker(s) for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Shareholder Broker(s) upon the Eligible Shareholders for tendering Equity Shares in the Buy-back (secondary market transaction). The Buy-back consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and the Manager to the Buy-back accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

xiii. 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 Buy-back are completed.

xiv. The Equity Shares lying in the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-back Regulations.

17. COMPLIANCE OFFICER


The Company has designated the following as Compliance Officer for the Buy-back ("Compliance Officer"):

Pawan Mahajan
 Company Secretary and Compliance Officer
 ICSI Membership Number: A65674
SM AUTO Stamping Limited
 Registered Office: J-41, MIDC Ambad, Nashik-422010, Maharashtra, India
 Corporate Office: C-13, MIDC Ambad, Nashik-422010, Maharashtra, India
 Tel. No. : +91-253 6621 102; Fax: +91 253 6601 444;
 E-mail ID: companysecretary@smauto stamping.com; Website: www.smauto stamping.com;

In case of any clarifications or to address investor grievance, the Eligible Shareholders may contact the Compliance Officer, during office hours i.e., from 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays as the above mentioned address.

18. INVESTOR SERVICE CENTRE AND REGISTRAR TO THE BUY-BACK

Company has appointed the following as the Registrar to the Buy-back:



Bisghare Services Private Limited
 Office No. S-62, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400093, Maharashtra, India.
 Tel. No. : + 91 22 6263 8200 Fax: +91 22 6263 8299
 E-mail ID: buybackoffer@bisghareonline.com;
 Website