

December 27, 2022

**The Manager**  
Dept. of Corporate Services  
Bombay Stock Exchange Limited,  
PhirozeJeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai - 400 001

**National Stock Exchange Limited**  
Dept. of Listing & Compliance  
Exchange Plaza  
Bandra Kurla Complex  
Bandra East  
Mumbai- 400 051

Dear Sir,

**Sub:** Buy-back of 15,00,000 (Fifteen Lakhs Only) fully paid-up Equity Shares of the face value of Rs.10 each ("Equity Shares") of Technocraft Industries (India) Limited (the "Company") at a price of Rs. 1,000 (Rupees One Thousand only) per Equity Share payable in 'cash' on proportionate basis ("Buy-back").


**Ref:** Submission of Draft Letter of Offer

Referring to the captioned subject and the Buyback, we wish to inform you that the Draft Letter of Offer is being filed with Securities and Exchange Board of India (SEBI), Mumbai. We are enclosing herewith a copy of the said Draft Letter of Offer in terms of Regulation 8 of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 for your kind perusal.

Request you to kindly acknowledge and disseminate on your website.

Thanking You,

Yours truly,  
For Systematix Corporate Services Limited

  
Ankur Sharma  
Authorised Signatory



Encl: As Above.

CC: Technocraft Industries (India) Limited

---

### Systematix Corporate Services Limited

**Registered Office :** 206 - 207, Bansi Trade Centre, 581/5, M. G. Road, Indore - 452 001. Tel. : +91-0731-4068253  
**Corporate Office :** The Capital, A-Wing, No. 603 - 606, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.  
Tel : +91-22-6619 8000 / 4035 8000 Fax : +91-22-6619 8029 / 4035 8029  
CIN : L91990MP1985PLC002969 Website : www.systematixgroup.in Email : secretarial@systematixgroup.in  
SEBI Merchant Banking Registration No. : INM000004224



## DRAFT LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer will be sent to you as a registered Equity Shareholder/beneficial owner of the Equity Shares of Technocraft Industries (India) Limited (the "Company") as on the Record Date, being December 30, 2022 in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations"). If you require any clarifications about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buyback i.e. Systematix Corporate Services Limited or the Registrar to the Buyback i.e. Link Intime India Private Limited.

Please refer to the section on "Definitions of Key Terms" on Page 3 for the definition of the capitalized terms used herein.



#### Technocraft Industries (India) Limited

**Registered Office:** Plot No. 47, "Opus Centre", Second Floor, Central Road, Opposite Tunga Paradise Hotel, MIDC, Andheri (East), Mumbai 400 093, India.

**Corporate Identification Number (CIN):** L28120MH1992PLC069252

**Telephone:** +91-22-4098 2222/2340; **Fax:** +91-22-2835 6559;

**Email:** investor@technocraftgroup.com; **Website:** [www.technocraftgroup.com](http://www.technocraftgroup.com)

**Contact Person:** Mr. Neeraj Rai, Company Secretary

**OFFER TO BUYBACK UP TO 15,00,000 (FIFTEEN LAKHS ONLY) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF RS. 10 (TEN ONLY) EACH, REPRESENTING 6.13% OF THE EQUITY SHARES IN THE EXISTING TOTAL PAID-UP EQUITY CAPITAL OF THE COMPANY FROM ALL ELIGIBLE SHAREHOLDERS (EQUITY SHAREHOLDERS AS ON THE RECORD DATE, BEING DECEMBER 30, 2022) ON A PROPORTIONATE BASIS, THROUGH THE 'TENDER OFFER' PROCESS, AT A PRICE OF RS. 1,000/- (RUPEES ONE THOUSAND ONLY) PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING RS. 150,00,00,000/- (RUPEES ONE HUNDRED FIFTY CRORES ONLY) EXCLUDING THE TRANSACTION COSTS (THE "BUYBACK").**

- 1) The Buyback is being undertaken in accordance with Article 61 of the Articles of Association of the Company, Sections 68, 69, 70, 108, 110 and all other applicable provisions of the Companies Act (as defined hereinafter) and the relevant rules made thereunder including the Share Capital and Debentures Rules (as defined hereinafter), the Companies (Management and Administration) Rules, 2014, as amended, to the extent applicable, the SEBI Buyback Regulations read with SEBI Circulars and the SEBI Listing Regulations (as defined hereinafter) and including any amendments, statutory modification or reenactments thereof, for the time being in force. The Buyback is subject to receipt of such other approvals, permissions, consents, exemptions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the statutory, regulatory, governmental authorities or other appropriate authorities while granting such approvals, permissions, consents, exemptions and sanctions, as may be required from time to time under the applicable laws.
- 2) The Buyback Offer Size represents 12.88% and 8.40% of the aggregate of the Company's paid-up capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively, as on March 31, 2022 (i.e. the latest audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback, held on November 14, 2022). The Buyback Offer Size is within the statutory limit of 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as per the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022. The Equity Shares proposed to be bought back represent 6.13% of the total number of Equity Shares in the total paid-up equity share capital of the Company, as on March 31, 2022.
- 3) The Letter of Offer will be sent to all Eligible Shareholders (as defined below) holding Equity Shares of the Company as on the **Record Date**, being December 30, 2022 in accordance with the SEBI Buyback Regulations and such other circulars or notifications, as may be applicable.
- 4) For details of the procedure for tender and settlement, please refer to the "**Procedure for Tender Offer and Settlement**" on page 45 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the "**Tender Form**") along with the share transfer form ("**Form SH-4**") is enclosed together with this Draft Letter of Offer.
- 5) For details of the procedure for Acceptance, please refer to the "**Process and Methodology for the Buyback**" on page 40 of this Draft Letter of Offer. For mode of payment of cash consideration to the Eligible Shareholders, please refer to "**Procedure for Tender Offer and Settlement - Method of Settlement**" on page 45 of this Draft Letter of Offer.
- 6) A copy of the Public Announcement dated December 19, 2022, published on December 20, 2022, this Draft Letter of Offer and the Letter of Offer (including the Tender Form and Form No. SH-4) shall be available on the website of SEBI i.e., [www.sebi.gov.in](http://www.sebi.gov.in) and on the website of the Company i.e., [www.technocraftgroup.com](http://www.technocraftgroup.com) and is expected to be available on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)), BSE ([www.bseindia.com](http://www.bseindia.com)) and the Registrar to the Buyback ([www.linkintime.co.in](http://www.linkintime.co.in)).
- 7) Eligible Shareholders are advised to read this Draft Letter of Offer and in particular refer to "**Details of the Statutory Approvals**" and "**Note on Taxation**" on pages 39 and 56 of this Draft Letter of Offer, respectively, before tendering their Equity Shares in the Buyback.

#### MANAGER TO THE BUYBACK



#### SYSTEMATIX CORPORATE SERVICES LIMITED

The Capital, A Wing, 603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India.

**Tel:** +91-22-6704 8000

**Fax:** +91-22-6704 8022

**Email:** [ecm@systematixgroup.in](mailto:ecm@systematixgroup.in)

**Website:** [www.systematixgroup.in](http://www.systematixgroup.in)

**Contact Person:** Ms. Jinal Sanghvi

**SEBI Registration No:** INM000004224

#### REGISTRAR TO THE BUYBACK



#### LINK INTIME INDIA PRIVATE LIMITED

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400083, Maharashtra, India

**Tel:** +91 810 811 4949

**Fax:** +91-22-4918 6195

**Email:** [technocraft.buyback@linkintime.co.in](mailto:technocraft.buyback@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration Number:** INR000004058

**BUYBACK OPENS ON**

[●]

**BUYBACK CLOSES ON**

[●]

**LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR TO THE BUYBACK: [●], 2022 BY [●] PM (IST)**

## TABLE OF CONTENTS

1.	SCHEDULE OF ACTIVITIES	3
2.	DEFINITIONS OF KEY TERMS	3
3.	DISCLAIMER CLAUSE	7
4.	TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS	9
5.	DETAILS OF THE PUBLIC ANNOUNCEMENT	15
6.	DETAILS OF THE BUYBACK OFFER	16
7.	INTENTION OF THE PROMOTERS AND MEMBERS OF THE PROMOTERS GROUP TO PARTICIPATE IN THE BUYBACK	19
8.	AUTHORITY FOR THE BUYBACK	25
9.	NECESSITY/OBJECTIVE FOR BUYBACK	25
10.	MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY	26
11.	BASIS OF CALCULATING THE BUYBACK OFFER PRICE	28
12.	SOURCES OF FUNDS FOR THE BUYBACK	29
13.	DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN	29
14.	FIRM FINANCIAL ARRANGEMENT	29
15.	CAPITAL STRUCTURE AND SHAREHOLDING PATTERN	30
16.	BRIEF INFORMATION ABOUT THE COMPANY	31
17.	FINANCIAL INFORMATION	36
18.	STOCK MARKET DATA	37
19.	DETAILS OF STATUTORY APPROVALS	39
20.	DETAILS OF REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE	39
21.	PROCESS AND METHODOLOGY FOR THE BUYBACK	40
22.	PROCEDURE FOR TENDER OFFER AND SETTLEMENT	45
23.	NOTE ON TAXATION	56
24.	DECLARATION BY THE BOARD OF DIRECTORS	59
25.	REPORT BY COMPANY'S STATUTORY AUDITOR	60
26.	DOCUMENTS FOR INSPECTION	63
27.	DETAILS OF COMPLIANCE OFFICER	64
28.	DETAILS OF THE REMEDIES AVAILABLE TO ELIGIBLE SHAREHOLDERS/BENEFICIAL OWNERS	64
29.	INVESTOR SERVICE CENTRE AND REGISTRAR TO BUYBACK	65
30.	MANAGER TO THE BUYBACK	65
31.	DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE DRAFT LETTER OF OFFER	65
32.	TENDER FORMS	66

## 1. SCHEDULE OF ACTIVITIES

Activity	Schedule of Activities	
	Day	Date
Date of Board Meeting approving the proposal for the Buyback	Monday	November 14, 2022
Date of declaration of results of the postal ballot for special resolution by the Equity Shareholders, approving the Buyback	Monday	December 19, 2022
Date of Public Announcement for the Buyback	Monday	December 19, 2022
Date of Publication of the Public Announcement for the Buyback in newspapers	Tuesday	December 20, 2022
Record Date for determining the Eligible Shareholders and the Buyback Entitlement	Friday	December 30, 2022
<b>Buyback Opening Date</b>	[●]	[●]
<b>Buyback Closing Date</b>	[●]	[●]
Last date of receipt of completed Tender Forms and other specified documents including Physical Share certificates (if and as applicable) by the Registrar	[●]	[●]
Last date of verification of Tender Forms by Registrar to the Buyback	[●]	[●]
Last date of intimation to the Designated Stock Exchange regarding Acceptance/ non-acceptance of the tendered Equity Shares by the Registrar	[●]	[●]
Last date of completion of settlement by the Clearing Corporation/Stock Exchanges	[●]	[●]
Last date of dispatch of share certificate(s) by the Registrar to the Buyback / payment to Eligible Shareholders / unblocking/ return of unaccepted Demat Shares by the Stock Exchanges to Eligible Shareholders/Seller Broker	[●]	[●]
Last date of payment of consideration to Eligible Shareholders who participated in the Buyback	[●]	[●]
Last date of extinguishment of the Equity Shares bought Back	[●]	[●]

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

## 2. DEFINITIONS OF KEY TERMS

*This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI Buyback Regulations, the Companies Act, the Depositories Act, 1996 and the rules and regulations made thereunder.*

<b>Term</b>	<b>Description</b>
Acceptance/Accept/ Accepted	Acceptance of Equity Shares tendered by Eligible Shareholders in the Buyback Offer.
Acquisition Window	The facility for the acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange i.e., NSE in the form of a separate window in accordance with the SEBI Circulars.
Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder up to the extent of Equity Shares held by such Eligible Shareholder on the Record Date.
Act/Companies Act	The Companies Act, 2013, as may be amended from time to time, along with all rules and regulations framed thereunder.
Articles of Association /AOA	Articles of Association of the Company, as amended.
Board or Board of Directors	Board of directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized committee thereof).
Board Meeting	Meeting of the Board of Directors of the Company held on November 14, 2022 approving the proposal for the Buyback Offer.
BSE	BSE Limited.
Buyback Opening Date	[●]
Buyback Closing Date	[●]
Buyback Committee	A Committee constituted by Board of Directors of the Company comprising of Mr. Sharad Kumar Saraf, Chairman & Managing Director, Mr. Sudarshan Kumar Saraf, Co-Chairman & Managing Director, Mr. Navneet Kumar Saraf, Whole-time Director & CEO, and Mr. Ashish Kumar Saraf, Whole-time Director & CFO.
Buyback Entitlement or Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, which is computed based on the number of Equity Shares held by such Eligible Shareholder as on the Record Date and the ratio of Buyback applicable in the category, to which such Eligible Shareholder belongs.
Buyback/ Buyback Offer/Offer/Buy-Back	Offer by Technocraft Industries (India) Limited to buy back up to exceeding 15,00,000 (Fifteen Lakhs only) fully paid-up Equity Shares of face value of Rs 10 each at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share from all the Eligible Shareholders, through the Tender Offer process on a proportionate basis.
Buyback Price/ Offer Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e., Rs. 1,000/- (Rupees One Thousand only) per Equity Share payable in cash.
Buyback Size/ Offer Size	Number of Equity Shares proposed to be bought back i.e., 15,00,000 (Fifteen Lakhs only) Equity Shares multiplied by the Buyback Offer Price i.e., Rs. 1,000/- (Rupees One Thousand only) per Equity Share aggregating to Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores Only), excluding Transaction Costs.
Buyback Period	The period between the date of declaration of the results of the postal ballot for special resolution authorizing the Buyback of the Equity Shares of the Company i.e December 19, 2022, till the date on which the payment of consideration to the Eligible Shareholders who have accepted the Buyback will be made.
Clearing Corporation	The Indian Clearing Corporation Limited and the National Securities Clearing Corporation Limited, as applicable.
CDSL	Central Depository Services (India) Limited.
"Company" or "Our Company" or "we" or "us" or "our" or "TIIL"	Technocraft Industries (India) Limited.
"Company's Broker" or "SSSIL" or "Buying Broker"	Systematix Shares and Stocks (India) Limited.

Compliance Officer	Mr. Neeraj Rai, Company Secretary
Company Demat Account	A demat account held by the Company, wherein Demat Shares bought back in the Buyback would be transferred.
CIN	Corporate Identity Number.
Designated Stock Exchange/DSE	National Stock Exchange of India Limited
Depositories	Together, NSDL and CDSL.
DLOF / Draft Letter of Offer	This draft letter of offer dated December 27, 2022, filed with SEBI through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III of the SEBI Buyback Regulations.
DIN	Director Identification Number.
DP	Depository Participant.
DTAA	Double Taxation Avoidance Agreement.
Equity Share(s)/ Share(s)	Fully paid-up equity share(s) of face value of Rs.10/- (Rupees Ten only) each of the Company.
Eligible Person (s)/Eligible Shareholders	Equity Shareholders eligible to participate in the Buyback and would mean all shareholders/ beneficial owners of the Equity Shares on the Record Date being December 30, 2022 and do not include such shareholders/ beneficial owners of the Equity Shares who are not permitted under the applicable law to tender shares in the Buyback.
Equity Shareholder(s) / Shareholder(s) / Members	Shareholder/ beneficial owner of the Equity Shares of the Company.
EPS	Earnings per Equity Share.
Escrow Account	The Escrow account to be opened/opened with IDFC FIRST Bank Limited in accordance with SEBI Buyback Regulations, in the name of “ <b>TIIL – BUYBACK ESCROW ACCOUNT - 2022</b> ” bearing the account number 10302600194.
Escrow Agreement	The agreement dated Tuesday, December 20, 2022 entered into between the Company, IDFC FIRST Bank Limited (as Escrow Agent) and Systematix Corporate Services Limited (as Manager to the Buyback), pursuant to which certain arrangements for Escrow Account is made in relation to the Buyback.
Escrow Agent	IDFC FIRST Bank Limited having its registered office at KRM Tower, 7th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031, India.
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time, including rules, regulations, circulars, directions and notifications issued thereunder.
FII	Foreign Institutional Investor(s) registered under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FPI	Foreign Portfolio Investors as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
General Category	Eligible Shareholders other than the Small Shareholders of the Company.
HUF	Hindu Undivided Family.
IT Act/Income Tax Act	The Income-Tax Act, 1961, as amended.
LOF/ Letter of Offer	The letter of offer to be filed with SEBI, through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III of the SEBI Buyback Regulations, incorporating any comments that may be received from SEBI on this Draft Letter of Offer.
“Merchant Banker to the Buyback” or “Merchant Banker” or “Manager to the Buyback/Offer”	Systematix Corporate Services Limited.
MCA	Ministry of Corporate Affairs.
NA	Not Applicable.
Non-Resident Shareholders	Includes Non-resident Indians (NRI) and FIIs / FPIs as defined under

	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
NRI	Non Resident Indian.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Bodies.
PA/ Public Announcement	Public announcement dated December 19, 2022 in connection with the Buyback which was published on December 20, 2022 in the English national daily newspapers of Business Standard, Hindi national daily newspapers of Business Standard and Mumbai edition of the Marathi daily newspaper, namely, Mumbai Lakshadeep (Marathi being the regional language of Maharashtra where the registered office of the Company is located).
PAN	Permanent Account Number.
Physical Share(s)	Equity Share(s) of the Company in physical form.
Promoters/ Promoter Group	Ashish Kumar Saraf, Navneet Kumar Saraf, Nidhi Saraf, Priyanka Saraf, Ritu Saraf, Shakuntala Saraf, Sharad Kumar Saraf, Sharad Kumar Madhoprasad Saraf HUF, Sudarshan Kumar Saraf, Sudarshan Kumar Madhoprasad Saraf HUF, Suman Saraf and Ashrit Holdings Limited.
Members of the Promoter Group/Promoter Group	Promoter and promoter group as have been disclosed under the filings made by the Company under the SEBI Listing Regulations and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Postal Ballot Notice	Postal ballot notice dated November 14, 2022 through which the approval of the Equity Shareholders was sought for the Buyback.
RBI	Reserve Bank of India.
RoC	Registrar of Companies, Mumbai, Maharashtra.
Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer (including the Tender Form) will be sent, and who are eligible to participate in the Buyback in accordance with the SEBI Buyback Regulations. The Record Date for the Buyback is December 30, 2022.
Registrar to the Buyback/Offer or Registrar	Link Intime India Private Limited.
Reserved Category	Small Shareholders eligible to tender Equity Shares in the Buyback.
SEBI	Securities and Exchange Board of India.
SEBI Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
Seller Member/ Seller Broker	A stock broker (who is a member of the BSE and NSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback.
Small Shareholder(s)	As defined under Regulation 2(i)(n) of the SEBI Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than Rs. 2,00,000 (Rupees Two Lakhs only), on the basis of closing price on BSE or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date, i.e., December 30, 2022.
Statutory Auditor	M/s. M. L. Sharma & Co., Chartered Accountants.
Stock Exchanges	Together, BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
SEBI Circulars	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read

	with the SEBI circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and circular no. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, and such other circulars or notifications, as may be applicable, including any amendments or statutory modifications for the time being in force.
Transaction Costs	Any expenses incurred or to be incurred for the Buyback viz. tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, public announcement publication fees, printing and dispatch expenses, if any, and other incidental and related expenses and charges.
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Tender Offer	Method of buyback as defined in Regulation 2(1)(q) of the SEBI Buyback Regulations.
Tendering Period	Period of 10 Working Days from the Buyback Opening Date ([●]) till the Buyback Closing Date ([●]) (both days inclusive).
Tender Form	Form of Acceptance–cum–Acknowledgement.
TRS	Transaction Registration Slip.
Working days	Working day as defined under 2(1)(s) of the SEBI Buyback Regulations.

### **Certain conventions, currency of presentation, use of financial information and stock market data**

#### **Page Numbers and Paragraph Numbers**

Unless otherwise stated, all references to page numbers and paragraph numbers in this Draft Letter of Offer are to page numbers of this Draft Letter of Offer.

#### **Currency and Units of Presentation**

All references to “Rupee(s)”, “Rs.” or “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India.

#### **Financial and Other Data**

Unless stated or the context requires otherwise, our financial information in this Draft Letter of Offer is derived from our audited standalone and consolidated financial statements of the Company for the fiscal years 2020, 2021 and 2022.

Our Company’s fiscal year commences on April 1 of each year and ends on March 31 of the next year (referred to herein as “Fiscal”, “Fiscal Year” or “FY”). All data related to financials are given in ₹ Lakhs unless otherwise stated.

#### **Stock Market Data**

Unless stated or the context requires otherwise, stock market data included in this Draft Letter of Offer is derived from the websites of the Stock Exchanges.

### **3. DISCLAIMER CLAUSE**

As required, a copy of this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buyback, Systematix Corporate Services Limited, has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013, as amended and SEBI Buyback Regulations, as amended. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.



It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, Systematix Corporate Services Limited, has furnished to SEBI a due diligence certificate dated December 27, 2022, in accordance with the SEBI Regulations 2018, which reads as follows:

“We have examined various documents and materials contained in the annexure to this letter as part of the due diligence carried out by us in connection with the finalisation of the Public Announcement published on Tuesday, December 20, 2022 and the Draft Letter of Offer dated December 27, 2022. On the basis of such examination and the discussions with the Company, we hereby state that:

- The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback;
- All the legal requirements connected with the said offer including Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, have been duly complied with;
- The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well-informed decision in respect of the captioned Buyback; and
- Funds used for the Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”

The filing of offer document with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, 2013, as amended or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The promoters / directors of the Company declare and confirm that no information/ material likely to have a bearing on the decision of Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the promoters of the Company/ Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 and the SEBI Buyback Regulations.

The promoters / directors of the Company also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

### **3.1 Important notice to all Equity Shareholders:**

This Draft Letter of Offer has been prepared for the purposes of compliance with the SEBI Buyback Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer.

This Draft Letter of Offer and the Letter of Offer does not and will not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The Letter of Offer shall be dispatched only to all Eligible Shareholders (Equity Shareholders as on the Record Date) either through email only, in compliance with SEBI Relaxation Circular. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that

he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

### 3.2 Forward Looking Statement

This Draft Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'believe', 'aim', 'anticipate', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will pursue', or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

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

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

The Buyback has been authorised and approved (subject to approvals of statutory, regulatory or governmental authorities as may be required under applicable laws and subject to approval of shareholders of the Company by way of a special resolution) by the Board of Directors at its meeting held on November 14, 2022.

The relevant extracts of the resolution of the Board of Directors are set out below:

### *Quote*

**“RESOLVED THAT** in accordance with the provisions of the Articles of Association of the Company, Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) read with the Companies (Share Capital and Debenture) Rules, 2014 (**Share Capital Rules**), the Companies (Management and Administration) Rules, 2014 (**Management and Administration Rules**), to the extent applicable and other relevant rules made thereunder, each as amended from time to time and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (**“Buy-back Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations or the SEBI Listing Regulations or any other amendment(s) thereto) and such other approvals, permissions and consents, sanctions and exemptions which may be agreed to by the Board of Directors of the Company, and subject to the approval by the shareholders approval, the consent of the Board of Directors by way of a special resolution by postal ballot through electronic voting only, the board of directors of the Company (**“Board”**, which term shall be deemed to include the Buyback Committee of the Board and/ or officials, which the Board may authorise to exercise its powers, including the powers conferred by this resolution) be and is hereby accorded for Buyback by the Company of its fully paid equity shares of Rs.10/- each (**“Equity Share”**) not exceeding 15,00,000 (Fifteen Lakhs only) Equity Shares (representing 6.13% of the total number of Equity Shares in the total paid-

up equity capital of the Company), at a price not exceeding of Rs. 1,000/- (Rupees One Thousand only) per Equity Share (hereinafter referred to as the “**Buyback Offer Price**”), payable in cash for an aggregate amount of Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores Only) excluding tax payable under Income Tax Act, 1961 and any expenses incurred or to be incurred for the buyback viz. brokerage costs, fees, turnover charges, taxes such as tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses, if any, and other incidental and related expenses and charges (“**Transaction Costs**”) (such maximum amount hereinafter referred to as the “**Buyback Offer Size**”) which represents 12.88% and 8.40% of the aggregate of the Company’s paid-up capital and free reserves (including securities premium and/or cash balances and/or internal accruals) as on March 31, 2022 on a standalone and consolidated basis respectively, as per the audited financials of the company for the year ended as on March 31, 2022 from all the equity shareholders/ beneficial owners of the Equity Shares of the Company, including the Promoter(s) as on Record Date (shall be decided in due course) as on a proportionate basis through the tender offer route in accordance and consonance with the provisions contained in the Buy Back Regulations and the Act (hereinafter referred to as the “**Buyback**”);

**RESOLVED FURTHER THAT** the Company shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting” notified by SEBI vide circular CIR/CFD/POLICYCELL /1/2015 dated April 13, 2015 read with the SEBI’s circular CFD/ DCR2/CIR/P/2016/131 dated December 9, 2016, circular SEBI/ HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, including any amendments or statutory modifications for the time being in force;

**RESOLVED FURTHER THAT** the Buy-back shall be made by the Company from its current surplus and/or cash balances and/or internal accruals, and on such terms and conditions as the Board or a duly constituted committee thereof may decide from time to time in compliance with applicable provisions of the Companies Act and Buy-back Regulations, in the absolute discretion as it may deem fit;

**RESOLVED FURTHER THAT** as required by Regulation 6 of the Buy-back Regulations, the Company shall buy back Equity Shares from the existing shareholders (including Promoter(s)) as on Record Date, on a proportionate basis, provided that either 15% (Fifteen) of the number of Equity Shares which the Company proposes to buy back or number of Equity Shares which small shareholders are entitled to as per their shareholding, whichever is higher, shall be reserved for small shareholders, as defined in the Buyback Regulations;

**RESOLVED FURTHER THAT** all of the shareholders of the Company, as on the Record Date, including the Promoter(s), may be eligible to participate in the Buy-back, except any shareholders who may be specifically prohibited under the applicable laws by Appropriate Authorities;

**RESOLVED FURTHER THAT** the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations and under the Securities Contracts (Regulation) Rules, 1957, as amended;

**RESOLVED FURTHER THAT** the Company shall not buy-back the locked-in Equity Shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable;

**RESOLVED FURTHER THAT** the Buy-back from non-resident shareholders, Overseas Corporate Bodies (OCB’s) Foreign Institutional Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any;

**RESOLVED FURTHER THAT** in terms of Regulation 24(iii) of the Buy-back Regulations, Mr. Neeraj Rai, Company Secretary of the Company be and is hereby appointed as the Compliance Officer for the Buy-back;

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

**RESOLVED FURTHER THAT** the Company shall earmark adequate sources of funds for the purpose of the proposed buy-back;

**RESOLVED FURTHER THAT** the draft of the Affidavit for Declaration of Solvency prepared in the prescribed form along with supporting documents, placed before the meeting be and is hereby approved and that any two out of Mr. Sharad Kumar Saraf, Chairman & Managing Director, Mr. Sudarshan Kumar Saraf, Co-Chairman & Managing Director, Mr. Navneet Kumar Saraf, Whole-time Director & CEO and Mr. Ashish Kumar Saraf, Whole-time Director and CFO of the Company be and are hereby authorized jointly, to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies, SEBI, and/or any other concerned authorities, as may be necessary in accordance with the applicable laws;

**RESOLVED FURTHER THAT** the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, the Board has formed an opinion –

1. That immediately following the date of this Board Meeting and the date on which the special resolution for the Buyback through Postal Ballot will be passed, there will be no grounds on which the Company can be found unable to pay its debts.
2. That as regards the Company's prospects for the year immediately following the date of this Board Meeting as well as the date on which the special resolution for the Buy-back through Postal Ballot will be passed and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date of the this Board Meeting as well as within a period of one year from the date on which the special resolution for the Buy-back through Postal Ballot will be pass;
3. In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016 (including prospective and contingent liabilities).

**RESOLVED FURTHER THAT** the Board hereby confirms that:

- all Equity Shares of the Company are fully paid up;
- that the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- the Company shall not make any offer of buyback within a period of one year reckoned from the expiry of the Buyback period i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback, or such other period as may be specified under the Buy-back Regulations;
- the Company shall not raise further capital for a period of one year (or such period as applicable) from the expiry of the buyback period i.e. the date on which the payment of consideration to shareholders who have accepted the buyback offer is made except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference share or debentures into Equity Shares;
- the Company shall not issue any Equity Shares or other specified securities including by way of bonus till the date on which the payment of consideration to shareholders who have accepted the Buyback offer is made;

- the Company shall not buyback 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 Buyback;
- the consideration for the Buy-back shall be paid only by way of cash;
- the aggregate maximum amount of the Buyback, i.e. Rs. 150,00,00,000 (Rupees One Hundred Fifty Crores only) i.e. 12.88% and 8.40% of the aggregate of the Company's paid-up capital and free reserves (including securities premium and/or cash balances and/or internal accruals) as on March 31, 2022 on a standalone and consolidated basis respectively
- the number of Equity Shares proposed to be purchased under the Buyback i.e. 15,00,000 (6.13% of the total number of Equity Shares in the total paid-up equity capital of the Company) Equity Shares does not exceed 25% of the total Equity Shares in the paid-up equity capital of the Company;
- there is no scheme of amalgamation or compromise or arrangement pending pursuant to the provisions of the Companies Act, during the process of buyback;
- the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;
- in the event of non-fulfillment of the obligations under the Buyback Regulations by the Company, the monies deposited in the escrow account in full or in part shall be forfeited and distributed pro rata amongst the security-holders who accepted the offer and balance, if any, shall be utilized for investor protection in accordance with Buyback Regulations;
- the Company shall not withdraw the Buyback offer after the draft letter of offer is filed with SEBI;
- the Company shall comply with the statutory and regulatory timelines in respect of the Buyback in such manner as prescribed under the Companies Act and/or the SEBI Buyback Regulations and any other applicable laws;
- the Company shall not utilize any money borrowed from banks or financial institutions for the purpose of buying back its Equity Shares;
- the Company shall not directly or indirectly purchase its Equity Shares:
  - i. through any subsidiary company including its own subsidiary companies, if any or
  - ii. through any investment company or group of investment companies;
- the Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;
- 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, in the last three years;
- the Company shall not buy back locked-in Equity Shares or other specified securities, if any, and nontransferable Equity Shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or specified securities become transferable;
- 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, each on the standalone and consolidated basis, or such other ratio as may be permissible;
- 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 purchased through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet;

- the Buyback shall not result in delisting of the Equity Shares from the stock exchanges wherein the Equity Shares of the Company are listed; and
- as per Regulation 24(i)(e) of the SEBI Buyback Regulations, the Promoter(s), 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 Promoter(s)) from the date of this resolution till the closing of the Buyback offer.

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

**RESOLVED FURTHER THAT** all the Directors of the Company and Mr. Neeraj Rai, Company Secretary be and are hereby severally authorized to make necessary applications to the statutory, regulatory or governmental authorities as may be required under the applicable law; to sign, execute and deliver all such papers, deeds, documents, agreements, undertakings, declarations and forms, which are necessary and incidental thereto and to do all such acts, deeds, things and matters that may be necessary, expedient or proper with regard to the implementation of the Buyback or for matters incidental thereto in order to successfully complete the Buyback;

**RESOLVED FURTHER THAT** the powers of the Board in respect of Buyback be and are hereby delegated to the Buyback Committee comprising of Mr. Sharad Kumar Saraf, Chairman & Managing Director, Mr. Sudarshan Kumar Saraf, Co-Chairman & Managing Director, Mr. Navneet Kumar Saraf, Whole-time Director & CEO, and Mr. Ashish Kumar Saraf, Whole-time Director & CFO as Member of the Committee (the “**Buyback Committee**”);

**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members and the Buyback Committee may approve by passing appropriate resolutions (including by way of circular resolution) in connection with the above;

**RESOLVED FURTHER THAT** the Buyback Committee through Committee Meeting or by way of circular Resolutions, be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, in relation to the Buyback, including but not limited to:

- finalizing the terms of Buyback including the mechanism for the Buyback, the schedule of activities including the dates of opening and closing of the Buyback, Record Date, entitlement ratio, the timeframe for completion of the Buyback;
- negotiation and execution of escrow arrangement(s) in accordance with the Buyback Regulations;
- determining limits on the participation of the promoter of the Company in the Buyback, if any;
- earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback including arranging for bank guarantees as may be necessary for the Buyback in accordance with applicable laws;
- opening, operating and closing of all necessary accounts for this purpose, including bank accounts, trading account, depository accounts (including escrow account), special account, and authorizing persons to operate the such accounts;
- appointing and finalizing the designated stock exchange
- appointing and finalizing the terms of designated stock exchange, merchant bankers, brokers, escrow agents, registrars, legal counsel, depository participants, scrutinizer, compliance officer, advertising agency and such other intermediaries/ agencies / persons including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- preparing, executing and filing of various documents as may be necessary or desirable in connection with or incidental to the Buyback including affidavit for declaration of solvency, public announcement, draft and final letter of offer, and post-completion advertisement which are required to be filed in connection with the Buyback on behalf of the Board;

- extinguishment of the Equity Shares and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or Board, as required under applicable law;
- providing such confirmation and opinions as may be required in relation to the Buyback; creating and maintaining requisite statutory registers and records and furnishing requisite returns to Appropriate Authorities;
- to deal with stock exchanges (including their clearing corporations), and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, circular SEBI/HO/CFD/DIL1/CIR/P/ 2018/011 dated January 19, 2018 and SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, including any amendments or statutory modifications for the time being in force.
- proposing and accepting any change(s) or modification(s) in the Buyback mechanism and the documents connected with the said Buyback including declaring a reduction/extension of the Buyback offer period, as may be deemed fit and necessary in compliance with applicable law;
- to sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company wherever necessary on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the Appropriate Authorities, Registrar of Companies, stock exchanges, and depositories;
- making all necessary applications, providing all necessary information and documents to, and representing the Company before third parties, including, statutory auditors, in relation to the Buyback;
- taking all actions for obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- proposing the final acceptance of Equity Shares tendered under the Buyback process; settling all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
- carrying out incidental documentation and to prepare applications and submit them to the Appropriate Authorities for their requisite approvals; to do all such acts, deeds, matters and things incidental and in connection with the Buyback and sign and deliver such documents as may be necessary, desirable and expedient; and
- delegating all or any of the authorities conferred as above to any authorized representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be suggested by the Appropriate Authorities or advisors.

**RESOLVED FURTHER THAT** the Company Secretary of the Company shall act as Secretary of the Buy-back Committee;

**RESOLVED FURTHER THAT** Systematix Corporate Services Limited, be and is hereby appointed as the Manager to the Buyback in accordance with the relevant provisions of the SEBI Buyback Regulations, on the terms and conditions as set out in the draft engagement letters;

**RESOLVED FURTHER THAT** Systematix Shares and Stock (India) Limited be and is hereby appointed as the Company must create an Escrow Account with, a scheduled commercial bank broker for a sum the Buyback, to inter alia carry out the activities as required brokers under the SEBI Buyback Regulations before the release, on terms and conditions as may be mutually decided, and the consent of the Public Announcement Board be and is hereby accorded to open a depository account and a trading account with Systematix Shares and Stock (India) Limited in compliance connection with and for the requirements purpose of the Buyback;

**RESOLVED FURTHER THAT,** the Board hereby takes on record the draft report issued by M.L. Sharma & Co, the statutory auditor of the Company, as required under clause (xi) of Schedule I of the SEBI Buyback Regulations;

**RESOLVED FURTHER THAT** the Company must create an Escrow Account with, a scheduled commercial bank for a sum as required under Buyback Regulations before the release of the Public Announcement in compliance with the requirements of the Buyback Regulations;

**RESOLVED FURTHER THAT** all the Directors of the Company and Mr. Neeraj Rai, Company Secretary of the Company be and are hereby severally authorized to make corrections or alterations, as may be required for purposes of filing the with the SEBI, the Stock Exchanges and such other authorities or persons as may be required, issue such certificates and confirmations as may be required and do all acts, deed, matters and things and undertake such other necessary steps to implement the above resolution, including without limitation, to settle any questions, difficulties or doubts that may arise in relation thereto;

**RESOLVED FURTHER THAT** the common seal of the Company be affixed on relevant documents required to be executed for the Buyback if any, in accordance with the relevant provisions of the Articles of Association of the Company;

**RESOLVED FURTHER THAT** that for the purpose of giving effect to this resolution, Buyback Committee be and is hereby authorized to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;

**RESOLVED FURTHER THAT** the Company shall, before opening of the Buyback offer, create an escrow account, either in form of bank guarantee or cash deposit or a combination thereof, towards security performance of its obligations as may be prescribed under the Companies Act and the SEBI Buyback Regulations and, on such terms, and conditions as the Board or the Buyback Committee thereof may deem fit;

**RESOLVED FURTHER THAT,** nothing contained herein shall confer any right on any shareholder to offer or confer any obligation on the Company or the Board or the Buyback Committee to buy back any equity shares of the Company or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if permitted by law;

**RESOLVED FURTHER THAT** the Company shall maintain a register of Equity Shares bought back wherein details of Equity Shares so bought, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing the Equity Shares and such other particulars as may be prescribed in relation to the Buyback shall be entered;

**RESOLVED FURTHER THAT** the particulars of the Equity Share certificates extinguished and destroyed shall be furnished by the Company to the Stock Exchanges within seven days of such extinguishment or destruction of the certificates and the dematerialised Equity Shares shall be extinguished and destroyed in the manner as specified under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the bye-laws, circulars, guidelines framed thereunder, each as amended;

**RESOLVED FURTHER THAT** all the Directors of the Company and Mr. Neeraj Rai, Company Secretary of the Company be and are hereby severally authorized to send the necessary intimations to the Stock Exchanges in relation to this resolution, as may be required under the SEBI Listing Regulations; to file necessary e-forms with the Registrar of Companies, and to do all such acts, deeds and things or incidental for signing and filing of forms, payment of fees etc. and to do all such other acts, things and deeds, as may be required for the aforesaid purpose or other services as that may be necessary to give effect to the above resolutions;

**RESOLVED FURTHER THAT** a copy of this Resolution duly certified to be true by any of the Director(s) of the Company or Mr. Neeraj Rai, Company Secretary of the Company be issued as may be necessary to give effect to the above resolutions.”

***Unquote***

## **5. DETAILS OF THE PUBLIC ANNOUNCEMENT**

In accordance with the provisions of Regulation 7(i) of the SEBI Buyback Regulations, the Company has made a Public Announcement dated December 19, 2022 for the Buyback which was published on December 20, 2022 in the newspapers mentioned below (each with wide circulation), which is within 2 (two) Working Days from the date of



declaration of results of passing the special resolution by the Equity Shareholders approving the Buyback through postal ballot, the results of which were declared on Monday, December 19, 2022:

Name of the Newspaper	Newspaper's Language	Editions
Business Standard	English	All India
Business Standard	Hindi	All India
Mumbai Lakshadeep	Marathi	Mumbai Edition Only

The Company will publish further notices or corrigendum, if any, in the abovementioned newspapers.

A copy of the Public Announcement is available on the Company's website (i.e., [www.technocraftgroup.com](http://www.technocraftgroup.com)), the website of SEBI (i.e., [www.sebi.gov.in](http://www.sebi.gov.in)) and on the websites of the Stock Exchanges (i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)).

## 6. DETAILS OF THE BUYBACK OFFER

Pursuant to the resolution passed by the Board of Directors of the Company on November 14, 2022, the Company, hereby, announces the buyback of up to 15,00,000 (Fifteen Lakhs only) Equity Shares (representing 6.13% of the total number of Equity Shares in the existing total paid-up equity capital of the Company as on the date of the Board Meeting and in the total paid-up equity capital of the Company as on March 31, 2022), from the shareholders/beneficial owners of Equity Shares of the Company as on the Record Date, being December 30, 2022 (for further details in relation to the Record Date, refer to paragraph 21.6 of this Draft Letter of Offer), on a proportionate basis, through the "tender offer" process as prescribed under the SEBI Buyback Regulations, at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share, payable in cash, for an aggregate maximum amount of Rs.150,00,00,000/- (Rupees One Hundred Fifty Crores only). The Buyback Offer Size and the Buyback Offer Price do not include the Transaction Costs. The Buyback Offer Size represents 12.88% and 8.40% of the aggregate of the Company's fully paid-up equity capital and free reserves as per the latest standalone and consolidated audited financial statements of the Company, respectively, as on March 31, 2022, which is within the statutory limits of 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as on March 31, 2022.

The Buyback is more than 10% of the total paid up equity share capital and free reserves of the Company as per the latest standalone audited financial statements of the Company as on March 31, 2022. However, in accordance with SEBI Buyback Regulations and other applicable laws it is necessary to obtain consent of members of the Company, for the Buyback by way of special resolution and accordingly the Board had sought approval of the shareholders of the Company for the Buyback, by way of a special resolution. The Buyback is pursuant to Sections 68, 69, 70, 108, 110 and all other applicable provisions, if any, of the Companies Act and the relevant rules made thereunder including the Share Capital and Debentures Rules, the Companies (Management and Administration) Rules, 2014, to the extent applicable, and the provisions of the SEBI Buyback Regulations read with SEBI Circulars and SEBI Listing Regulations, subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by SEBI, Registrar of Companies, the Stock Exchanges and/or other authorities while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board.

The Company sought approval of its shareholders for the Buyback, by a special resolution through postal ballot. The shareholders approved the proposal of Buyback of Equity Shares and the results of the postal ballot were announced on December 19, 2022.

The Equity Shares are listed and traded on NSE and BSE. The Buyback shall be undertaken on a proportionate basis from the Eligible Shareholders of the Equity Shares of the Company as on the Record Date through the tender offer process prescribed under Regulation 4(iv)(a) of the SEBI Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the

same through the stock exchange mechanism as specified by Securities and Exchange Board of India in the SEBI Circulars and such other circulars as may be applicable, including any further amendments thereof. In this regard, the Company will request NSE to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback and for the purposes of this Buyback, NSE will be the designated stock exchange (DSE).

The Buyback from the Eligible Shareholders who are Non-Resident Shareholders, shall be subject to such approvals, if any and to the extent necessary or required from the concerned authorities, including approvals from the RBI under the FEMA and that such approvals shall be required to be taken by such Non-Resident Shareholders.

The Buyback price is Rs. 1,000/- (Rupees One Thousand only) per Equity Share. The Buyback Price has been arrived at after considering various factors including, but not limited to the earnings per share, price earnings ratio, impact on the net worth of the Company, the trends in the volume weighted average prices and the closing price of the Equity Shares at NSE and BSE where the Equity Shares are listed and other financial parameters.

The Buyback would involve reservation for Small Shareholders which will be 15% of the number of Equity Shares that the Company proposes to Buyback, or their entitlement, whichever is higher.

#### 6.1 Shareholding of the Promoters and of persons who are in control of the Company:

The aggregate shareholding in the Company of (a) Promoters and the members of the Promoter Group and persons in control of the Company; (b) the director(s) of the Promoters, where the promoter is a company; (c) directors and key managerial personnel of the Company, as on the date of the Board Meeting and the Postal Ballot Notice, i.e., November 14, 2022, and the date of the Public Announcement, i.e. December 19, 2022, is as follows:

a) Aggregate shareholding of the Promoters and the members of the Promoter Group and persons in control of the Company in the Company as on the date of the Board Meeting and Postal Ballot Notice, i.e., November 14, 2022, and the date of the Public Announcement, is as follows:

Sr. No.	Name of Shareholder	as on the date of Board Meeting and Postal Ballot Notice		as on the date of Public Announcement	
		Number of Equity Shares Held	% of shareholding	Number of Equity Shares Held	% of shareholding
1.	Ashish Kumar Saraf	5,04,914	2.06	5,04,914	2.06
2.	Navneet Kumar Saraf	14,13,082	5.78	14,13,082	5.78
3.	Nidhi Saraf	5,43,337	2.22	5,43,337	2.22
4.	Priyanka Saraf	5,00,000	2.04	5,00,000	2.04
5.	Ritu Saraf	1,56,464	0.64	1,56,464	0.64
6.	Shakuntala Saraf	51,69,867	21.13	51,69,867	21.13
7.	Sharad Kumar Saraf	4,06,840	1.66	4,06,840	1.66
8.	Sharad Kumar Madhoprasad Saraf HUF	22,05,366	9.02	22,05,366	9.02
9.	Sudarshan Kumar Saraf	67,94,903	27.78	67,94,903	27.78
10	Sudarshan Kumar Madhoprasad Saraf HUF	74,797	0.31	74,797	0.31
11	Suman Saraf	1,17,332	0.48	1,17,332	0.48
12	Ashrit Holdings Limited	3,80,446	1.56	3,80,446	1.56
	<b>Total</b>	<b>1,82,67,348</b>	<b>74.68</b>	<b>1,82,67,348</b>	<b>74.68</b>

b) Aggregate shareholding of the director(s) of the Promoters, where the promoter is a company and persons in control as on the date of the Board Meeting i.e., November 14, 2022 and postal ballot notice and the date of the Public Announcement, is as follows:

Sr. No.	Name of Director	Name of Promoter/ Promoter Group	as on the date of Board Meeting and Postal Ballot Notice		as on the date of Public Announcement	
			Number of Equity Shares Held	% of shareholding	Number of Equity Shares Held	% of shareholding
1.	Ashish Kumar Saraf	Ashrit Holdings Limited	5,04,914	2.06	5,04,914	2.06
2.	Navneet Kumar Saraf	Ashrit Holdings Limited	14,13,082	5.77	14,13,082	5.77
3.	Sudarshan Kumar Saraf	Ashrit Holdings Limited	67,94,903	27.78	67,94,903	27.78
4.	Vinodkumar Ramawtar Gadodia	Ashrit Holdings Limited	546	0.00	546	0.00
5.	Mudit Vinod Raniwala	Ashrit Holdings Limited	100	0.00	100	0.00
	<b>Total</b>		<b>87,13,545</b>	<b>35.61</b>	<b>87,13,545</b>	<b>35.61</b>

c) Aggregate shareholding of the directors and key managerial personnel of the Company, as on the date of the Board meeting and Postal Ballot Notice, i.e., November 14, 2022 and the date of the Public Announcement is as follows:

Sr. No.	Name of Shareholder	Designation	as on the date of Board Meeting and Postal Ballot Notice		as on the date of Public Announcement	
			Number of Equity Shares Held	% of shareholding	Number of Equity Shares Held	% of shareholding
1.	Sharad Kumar Saraf	Chairman & Managing Director	4,06,840	1.66	4,06,840	1.66
2.	Sudarshan Kumar Saraf	Co- Chairman & Managing Director	67,94,903	27.78	67,94,903	27.78
3.	Navneet Kumar Saraf	Whole-time Director & CEO	14,13,082	5.77	14,13,082	5.77
4.	Ashish Kumar Saraf	Whole-time Director & CFO	5,04,914	2.06	5,04,914	2.06
5.	Atanu Chaudhary	Whole-time Director	Nil	Nil	Nil	Nil
6.	Vinod B. Agarwala	Independent Director	Nil	Nil	Nil	Nil
7.	Jagdeesh Mal Mehta	Independent Director	Nil	Nil	Nil	Nil
8.	Vishwambhar C. Saraf	Independent Director	Nil	Nil	Nil	Nil

9.	Aubrey I. Rebello	Independent Director	Nil	Nil	Nil	Nil
10.	Vaishali Choudhari	Independent Director	Nil	Nil	Nil	Nil
11.	Neeraj Rai	Company Secretary	Nil	Nil	Nil	Nil
	<b>Total</b>		<b>91,19,739</b>	<b>37.27</b>	<b>91,19,739</b>	<b>37.27</b>

6.2 The aggregate number of Equity Shares or other specified securities in the Company were either purchased or sold by the following during a period of six months preceding the date of the Board Meeting at which the buyback was proposed and from the date of the Board Meeting till the date of the Public Announcement and (12) twelve months preceding the date of the Public Announcement:

There has been no sale/purchase of Equity Shares done by persons mentioned under para 6.1 (a), para 6.1 (b) and 6.1 (c) above during the period of six months preceding the Board Meeting Date i.e. November 14, 2022 and from the date of the Board Meeting till the date of the Public Announcement and (12) twelve months preceding the date of the Public Announcement.

## 7. INTENTION OF THE PROMOTERS AND MEMBERS OF THE PROMOTERS GROUP TO PARTICIPATE IN THE BUYBACK

7.1 In terms of the SEBI Buyback Regulations, the Promoters and Promoter Group and persons in control have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group and persons in control of the Company have vide their letters dated November 14, 2022 expressed that they intend to participate in the Buyback and also have undertaken to comply with the MPS requirements even after the Buyback. Pursuant to the Buyback and depending upon the response to the Buyback (assuming full acceptance) in case there is an increase in voting rights of the Promoters and Promoter Group and persons in control beyond 75%, necessary steps will be taken to reduce their shareholding in accordance with the provisions contained under Rule 19A of the Securities Contract (Regulation) Rules, 1957 and the Listing Regulations.

7.2 The Promoter and Promoter Group of the Company has expressed their intention to participate in the Buyback and they may tender up to a maximum number of Equity Shares as detailed below:

Sr. No.	Name of Shareholder	No of Equity Shares held	Maximum Number of Equity Shares Intended to tender
1.	Ashish Kumar Saraf	5,04,914	5,04,914
2.	Navneet Kumar Saraf	14,13,082	14,13,082
3.	Nidhi Saraf	5,43,337	5,43,337
4.	Priyanka Saraf	5,00,000	5,00,000
5.	Ritu Saraf	1,56,464	1,56,464
6.	Shakuntala Saraf	51,69,867	51,69,867
7.	Sharad Kumar Saraf	4,06,840	4,06,840
8.	Sharad Kumar Madhoprasad Saraf HUF	22,05,366	22,05,366
9.	Sudarshan Kumar Saraf	67,94,903	67,94,903
10.	Sudarshan Kumar Madhoprasad Saraf HUF	74,797	74,797
11.	Suman Saraf	1,17,332	1,17,332
12.	Ashrit Holdings Limited	3,80,446	3,80,446
	<b>Total</b>	<b>1,82,67,348</b>	<b>1,82,67,348</b>

The details of the date and price of acquisition/ sale of the Equity Shares by the Promoter, members of the Promoter Group and persons in control of the Company who intend to participate in the Buyback are set out below:

a. Ashish Kumar Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	37	Nil	Other than Cash
01.09.1994	Bonus	10	3,330	Nil	Other than Cash
07.10.1994	Bonus	10	16,835	Nil	Other than Cash
06.03.2002	Buyback	10	(2,020)	218	Cash
27.06.2002	Buyback	10	(2,727)	238	Cash
08.03.2003	Bonus	10	4,757	Nil	Other than Cash
10.03.2005	Bonus	10	20,212	Nil	Other than Cash
01.03.2006	Bonus	10	30,318	Nil	Other than Cash
23.02.2016	Buyback	10	(10,899)	270	Cash
01.03.2018	Buyback	10	(5,576)	525	Cash
16.04.2018	Transfer (Gift)	10	4,50,647	Nil	Other than Cash
<b>Total</b>			<b>5,04,914</b>		

b. Navneet Kumar Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	25	Nil	Other than Cash
01.09.1994	Bonus	10	2,250	Nil	Other than Cash
07.10.1994	Bonus	10	11,375	Nil	Other than Cash
09.10.1999	Transfer (Gift)	10	307,420	Nil	Other than Cash
06.03.2002	Buyback	10	(32,107)	218	Cash
27.06.2002	Buyback	10	(43,345)	238	Cash
08.03.2003	Bonus	10	75,605	Nil	Other than Cash
10.03.2005	Bonus	10	321,223	Nil	Other than Cash
01.03.2006	Bonus	10	481,834	Nil	Other than Cash
23.02.2016	Buyback	10	(173,220)	270	Cash
01.03.2018	Buyback	10	(88,625)	525	Cash
16.04.2018	Transfer (Gift)	10	5,50,647	Nil	Other than Cash
<b>Total</b>			<b>14,13,082</b>		

c. Nidhi Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
10.10.2001	Transfer (Gift)	10	12,500	Nil	Other than Cash
07.02.2003	Buyback	10	(158)	305	Cash
08.03.2003	Bonus	10	3,799	Nil	Other than Cash
10.03.2005	Bonus	10	16,141	Nil	Other than Cash
01.03.2006	Bonus	10	24,212	Nil	Other than Cash
23.02.2016	Buyback	10	(8,704)	270	Cash
01.03.2018	Buyback	10	(4,453)	525	Cash

22.03.2018	Transfer (Gift)	10	5,00,000	Nil	Other than Cash
<b>Total</b>			<b>5,43,337</b>		

d. Priyanka Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
22.03.2018	Transfer (Gift)	10	5,00,000	Nil	Other than Cash
<b>Total</b>			<b>5,00,000</b>		

e. Ritu Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
17.06.1993	Transfer from Eskidee Metal Crafts Pvt. Ltd	10	50	10	Cash
19.03.1994	Amalgamation	10	25	Nil	Other than Cash
01.09.1994	Bonus	10	6,750	Nil	Other than Cash
07.10.1994	Bonus	10	34,125	Nil	Other than Cash
06.03.2002	Buyback	10	(4,095)	218	Cash
27.06.2002	Buyback	10	(20,375)	238	Cash
07.02.2003	Buyback	10	(400)	305	Cash
08.03.2003	Bonus	10	4,950	Nil	Other than Cash
10.03.2005	Bonus	10	21,030	Nil	Other than Cash
01.03.2006	Bonus	10	31,545	Nil	Other than Cash
23.02.2016	Buyback	10	(11,339)	270	Cash
01.03.2018	Buyback	10	(5,802)	525	Cash
16.04.2018	Transfer (Gift)	10	1,00,000	Nil	Other than Cash
<b>Total</b>			<b>1,56,464</b>		

f. Shakuntala Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
28.10.1992	Subscription to MOA	10	3,450	10	Cash
19.03.1994	Amalgamation	10	75	-	Other than Cash
01.09.1994	Bonus	10	317,250	Nil	Other than Cash
07.10.1994	Bonus	10	1,603,875	Nil	Other than Cash
06.03.2002	Buyback	10	(192,465)	218	Cash
27.06.2002	Buyback	10	(259,828)	238	Cash
11.03.2003	Bonus	10	453,218	Nil	Other than Cash
10.03.2005	Bonus	10	1,925,575	Nil	Other than Cash
28.02.2006	Bonus	10	2,888,362	Nil	Other than Cash
23.02.2016	Buyback	10	(1,038,377)	270	Cash
01.03.2018	Buyback	10	(5,31,268)	525	Cash
<b>Total</b>			<b>51,69,867</b>		

g. Sharad Kumar Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	78	Nil	Other than Cash
01.09.1994	Bonus	10	7,020	Nil	Other than Cash
07.10.1994	Bonus	10	35,490	Nil	Other than Cash
05.01.1998	Transfer	10	17,815	10	Cash
06.03.2002	Buyback	10	(6,040)	218	Cash
27.06.2002	Buyback	10	(8,155)	238	Cash
07.02.2003	Buyback	10	(818)	305	Cash
11.03.2003	Bonus	10	13,972	Nil	Other than Cash
10.03.2005	Bonus	10	59,362	Nil	Other than Cash
28.02.2006	Bonus	10	89,043	Nil	Other than Cash
18.11.2008	Open Market	10	7,395	22	Cash
19.11.2008	Open Market	10	6,891	23	Cash
20.11.2008	Open Market	10	2,077	23	Cash
21.11.2008	Open Market	10	672	23	Cash
26.11.2008	Open Market	10	65,000	27	Cash
28.01.2009	Open Market	10	15,000	23	Cash
28.01.2009	Open Market	10	5,000	23	Cash
29.01.2009	Open Market	10	25,000	23	Cash
30.01.2009	Open Market	10	25,000	22	Cash
03.02.2009	Open Market	10	24,800	23	Cash
04.02.2009	Open Market	10	24,999	23	Cash
06.02.2009	Open Market	10	13,479	23	Cash
11.08.2015	Transmission – Partition of HUF	10	107,281	Nil	Other than Cash
23.02.2016	Buyback	10	(81,714)	270	Cash
01.03.2018	Buyback	10	(41,807)	525	Cash
<b>Total</b>			<b>4,06,840</b>		

h. Sharad Kumar Madhoprasad Saraf HUF

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
28.10.1992	Subscription to MOA	10	1,475	10	Cash
01.09.1994	Bonus	10	132,750	Nil	Other than Cash
07.10.1994	Bonus	10	671,125	Nil	Other than Cash
05.01.1998	Transfer	10	(17,815)	10	Cash
06.03.2002	Buyback	10	(66,086)	218	Cash
27.06.2002	Buyback	10	(93,370)	238	Cash
11.03.2003	Bonus	10	193,334	Nil	Other than Cash
10.03.2005	Bonus	10	821,413	Nil	Other than Cash
28.02.2006	Bonus	10	1,232,120	Nil	Other than Cash
23.02.2016	Buyback	10	(442,951)	270	Cash
01.03.2018	Buyback	10	(2,26,629)	525	Cash
<b>Total</b>			<b>22,05,366</b>		

i. Sudarshan Kumar Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
28.10.1992	Subscription to MOA	10	3,450	10	Cash
19.03.1994	Amalgamation	10	63	Nil	Other than Cash
01.09.1994	Bonus	10	316,170	Nil	Other than Cash
07.10.1994	Bonus	10	1,598,415	Nil	Other than Cash
16.02.1998	Rights Issue	10	830,888	10	Cash
09.10.1999	Transfer (Gift)	10	(307,420)	Nil	Other than Cash
06.03.2002	Buyback	10	(244,157)	218	Cash
27.06.2002	Buyback	10	(331,486)	238	Cash
07.02.2003	Buyback	10	(1,060)	305	Cash
11.03.2003	Bonus	10	574,038	Nil	Other than Cash
10.03.2005	Bonus	10	2,438,901	Nil	Other than Cash
28.02.2006	Bonus	10	3,658,351	Nil	Other than Cash
18.11.2008	Open Market	10	7,112	22	Cash
19.11.2008	Open Market	10	8,449	23	Cash
20.11.2008	Open Market	10	2,460	23	Cash
21.11.2008	Open Market	10	13	23	Cash
24.11.2008	Open Market	10	1	23	Cash
26.11.2008	Open Market	10	65,742	27	Cash
28.01.2009	Open Market	10	5,000	23	Cash
28.01.2009	Open Market	10	15,496	23	Cash
29.01.2009	Open Market	10	25,000	23	Cash
30.01.2009	Open Market	10	24,594	22	Cash
03.02.2009	Open Market	10	25,000	23	Cash
04.02.2009	Open Market	10	24,500	23	Cash
06.02.2009	Open Market	10	11,132	23	Cash
11.08.2015	Transmission – Partition of HUF	10	1,07,280	Nil	Other than Cash
23.02.2016	Buyback	10	(13,64,768)	270	Cash
01.03.2018	Buyback	10	(6,98,261)	525	Cash
<b>Total</b>			<b>67,94,903</b>		

j. Sudarshan Kumar Madhoprasad Saraf HUF

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
28.10.1992	Subscription to MOA	10	50	10	Cash
19.03.1994	Amalgamation	10	1	Nil	Other than Cash
01.09.1994	Bonus	10	4,590	Nil	Other than Cash
07.10.1994	Bonus	10	23,205	Nil	Other than Cash
06.03.2002	Buyback	10	(2,785)	218	Cash
27.06.2002	Buyback	10	(3,759)	238	Cash
11.03.2003	Bonus	10	6,557	Nil	Other than Cash
10.03.2005	Bonus	10	27,859	Nil	Other than Cash



28.02.2006	Bonus	10	41,788	Nil	Other than Cash
23.02.2016	Buyback	10	(15,023)	270	Cash
01.03.2018	Buyback	10	(7,686)	525	Cash
<b>Total</b>			<b>74,797</b>		

k. Suman Saraf

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
19.03.1994	Amalgamation	10	80	Nil	Other than Cash
01.09.1994	Bonus	10	7,200	Nil	Other than Cash
07.10.1994	Bonus	10	36,400	Nil	Other than Cash
06.03.2002	Buyback	10	(4,368)	218	Cash
27.06.2002	Buyback	10	(5,897)	238	Cash
11.03.2003	Bonus	10	10,286	Nil	Other than Cash
10.03.2005	Bonus	10	43,701	Nil	Other than Cash
28.02.2006	Bonus	10	65,552	Nil	Other than Cash
23.02.2016	Buyback	10	(23,565)	270	Cash
01.03.2018	Buyback	10	(12,057)	525	Cash
<b>Total</b>			<b>1,17,332</b>		

l. Ashrit Holdings Limited

Date	Nature of Transaction	Face Value (in Rs.)	Number of Equity Shares acquired/ (sold)	Issue Price / Transfer Price per Equity Share (Rs.)	Consideration (Cash, other than cash etc.)
06.07.2018	Market Purchase	10	685	494.00	Cash
09.07.2018	Market Purchase	10	469	494.00	Cash
12.07.2018	Market Purchase	10	7,020	494.93	Cash
13.07.2018	Market Purchase	10	239	495.00	Cash
19.07.2018	Market Purchase	10	6,897	495.00	Cash
20.07.2018	Market Purchase	10	16,800	495.00	Cash
23.07.2018	Market Purchase	10	516	492.00	Cash
25.07.2018	Market Purchase	10	352	492.00	Cash
23.08.2018	Market Purchase	10	337	495.00	Cash
24.08.2018	Market Purchase	10	507	495.00	Cash
28.08.2018	Market Purchase	10	112	490.00	Cash
08.10.2018	Market Purchase	10	37	495.00	Cash
04.06.2019	Market Purchase	10	13,000	460.20	Cash
12.06.2019	Market Purchase	10	124	437.89	Cash
12.06.2019	Market Purchase	10	729	442.00	Cash
19.06.2019	Market Purchase	10	25,184	434.96	Cash
20.08.2019	Market Purchase	10	877	300.00	Cash
21.08.2019	Market Purchase	10	31	300.00	Cash
22.08.2019	Market Purchase	10	1,65,106	299.99	Cash
18.12.2019	Market Purchase	10	14,732	280.58	Cash
30.12.2019	Market Purchase	10	1,467	280.00	Cash
02.03.2020	Market Purchase	10	454	285.59	Cash
03.03.2020	Market Purchase	10	10,052	279.50	Cash
04.03.2020	Market Purchase	10	2,318	281.22	Cash
05.03.2020	Market Purchase	10	777	284.86	Cash
06.03.2020	Market Purchase	10	1,854	284.09	Cash

09.03.2020	Market Purchase	10	5,299	283.11	Cash
11.03.2020	Market Purchase	10	3,753	283.95	Cash
12.03.2020	Market Purchase	10	43,758	279.47	Cash
13.03.2020	Market Purchase	10	36,640	265.40	Cash
16.03.2020	Market Purchase	10	272	250.00	Cash
17.03.2020	Market Purchase	10	7,063	240.00	Cash
18.03.2020	Market Purchase	10	12,985	230.00	Cash
<b>Total</b>			<b>3,80,446</b>		

Pursuant to the proposed Buyback and depending on the response to the Buyback, the aggregate shareholding and voting rights of the Promoters and Members of the Promoter Group and persons in control of the Company, in the Company, may change from the existing shareholding of the total equity capital and voting rights of the Company. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their entitlement, the aggregate shareholding of the Promoters and Members of the Promoter Group of the Company, post Buyback will increase to [●] % of the post Buyback equity share capital of the Company. The Promoters and Members of the Promoter Group and persons in control of the Company are already in control over the Company and therefore any further increase in the voting rights of the Promoters and Members of the Promoter Group and persons in control will not result in any change in control of the Company. Please refer to paragraph 10.3 of this Draft Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter and Members of the Promoter Group and the Public shareholding in the Company.

Post the Buyback, the public shareholding of the Company shall not fall below the minimum level as required under Regulation 38 of the SEBI Listing Regulations, and the provisions contained under Rule 19 (2) (b) and Rule 19A of the Securities Contract (Regulation) Rules, 1957 read with SEBI circular dated February 22, 2018.

#### **8. AUTHORITY FOR THE BUYBACK**

The Buyback is being undertaken in accordance with Article 61 of the Articles of Association, Sections 68, 69, 70, 108, 110 and other applicable provisions of the Companies Act, and applicable rules thereunder, including the Share Capital and Debentures Rules and the Companies (Management and Administration) Rules, 2014, to the extent applicable, and the SEBI Buyback Regulations and SEBI Listing Regulations. The Buyback is subject to receipt of such approvals (including approvals from the lenders as may be required), permissions and sanctions, as may be necessary from time to time under the applicable laws including from SEBI, RBI, BSE and/ or NSE.

The Buyback has been authorised by the resolution of the Board of Directors passed at their meeting held on November 14, 2022 and the Shareholders approval was sought by way of a special resolution, through Postal Ballot Notice. The results of the Postal Ballot (e-voting) were declared on December 19, 2022. The Equity Shareholders have approved the Buyback by way of a special resolution, through the postal ballot (including e-voting) in accordance with the provisions of Section 110 of the Act and the rules thereunder, as aforesaid.

#### **9. NECESSITY/OBJECTIVE FOR BUYBACK**

The current Buyback is being undertaken by the Company after taking into account for returning surplus funds to the members in an effective and efficient manner. The Board at its meeting held on November 14, 2022 considered the accumulated free reserves as well as the cash liquidity reflected in the latest available standalone and consolidated audited financial statements as on March 31, 2022 and also as on the date of the Board Meeting and considering these, the Board decided to allocate up to Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only) excluding the Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buyback. The Buyback will help the Company achieve the following objectives: (i) optimize returns to shareholders; and (ii) enhance overall shareholders' value.

After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board has decided to recommend a Buyback of Equity Shares at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share for an aggregate amount not exceeding Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only). The Buyback is being undertaken, inter-alia, for the following reasons:

- i. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- ii. The Buyback, which is being implemented through the tender offer route as prescribed under the SEBI Buyback 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 Buyback Regulations;
- iii. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders’ value; and
- iv. The Buyback gives an option to the shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment.
- v. The Buyback may lead to reduction in outstanding Equity Shares, improvement in earnings per Equity Share, and enhanced return on equity. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations and for continued capital investment, as and when required.

## **10. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY**

- 10.1 The Company believes that the Buyback is not likely to cause any material impact on the profitability/earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full participation and Acceptance in the Buyback from all the Eligible Shareholders up to their Buyback Entitlement, the funds deployed by the Company towards the Buyback would be up to an aggregate maximum amount of Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only) which excludes the Transaction Costs.
- 10.2 The Company believes that the Buyback will not in any manner impair its ability to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is being undertaken, inter alia, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, expected to contribute to the overall enhancement of the shareholder value and result in an increase in the return on equity of the Company.
- 10.3 In terms of the SEBI Buyback Regulations, under the Tender Offer route, the Promoter and Promoter Group and Person in control of the Company have an option to participate in the Buyback. The Promoters and Promoter Group and Persons in control of the Company have expressed their intention vide their letters dated November 14, 2022 of participating in the Buyback. For further details, see “**Intention of the Promoters and Members of the Promoter Group to Participate in the Buyback**” on page 19 of this Draft Letter of Offer. Assuming participation in the Buyback is to the extent of 100% (full acceptance) from all the other Eligible Shareholders up to their Buyback Entitlement, the aggregate shareholding of the Promoters and Members of the Promoter Group and persons in control of the Company after the completion of the Buyback shall increase to [●] % of the post- Buyback total paid-up Equity Share capital of the Company from 74.68% of the pre-Buyback total paid-up Equity Share capital of the Company (as on the

date of the Public Announcement), and the aggregate shareholding of the public in the Company shall change to [●] % of the post- Buyback total paid-up Equity Share capital of the Company from 25.32% of the pre- Buyback total paid-up Equity Share capital of the Company (as on the date of the Public Announcement).

10.4 The Buyback is not expected to result in a change in control or otherwise affect the existing management structure of the Company.

10.5 Consequent to the Buyback and based on the number of Equity Shares bought back from the non-resident shareholders (including FPIs), Indian financial institutions, banks and other shareholders, the shareholding under each category may undergo a change. The FIIs/FPIs are advised to ensure that their investment in the Company continues to be within the limit prescribed under applicable laws, post completion of the Buyback.

10.6 As required under Section 68(2)(d) of the Companies Act, 2013, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice its paid up equity share capital and free reserves post completion of the Buyback, even if the response to the Buyback is to the extent of 100% (full acceptance), on a consolidated and standalone basis.

10.7 As per Regulation 24(i)(e) of the SEBI Buyback Regulations, the Promoters and their associates, have not dealt 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 the Board Meeting approving the proposal for Buyback (i.e., November 14, 2022) and the date of the special resolution through postal ballot of the Equity Shareholders approving the Buyback (i.e., December 18, 2022) till the date of this Draft Letter of Offer and 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 Draft Letter of Offer till the closing of the Buyback.

In compliance with the provisions of Regulation 24(i)(f) of the SEBI Buyback Regulations, the Company shall not raise further capital for a period of 12 (twelve) months from the expiry of the Buyback Period except in the discharge of subsisting obligations such as conversion of warrants, stock options, sweat equity or conversion of preference shares or debentures into Equity Shares. Further, as per Regulation 24(i)(b) of the SEBI Buyback Regulations, the Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus issue from the date of resolution passed by the Shareholders approving the Buyback till the expiry of the Buyback Period, in accordance with the Companies Act, 2013 and the SEBI Buyback Regulations. The Company shall not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as the conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.

The Company is not undertaking the Buyback so as to delist its Equity Shares from the Stock Exchanges.

10.8 Salient financial parameters consequent to the Buyback based on the latest available audited results as on March 31, 2022 are set forth below:

Parameter	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback*	Pre-Buyback	Post-Buyback*
Net worth ( <i>in Rs Lakhs</i> )	1,17,211.28	1,02,211.28	1,33,666.84	1,18,666.84
Return on Net worth (%)	18.92%	21.69%	20.53%	23.13%
Basic EPS ( <i>in Rs</i> )	90.65	96.57	112.20	119.53
Book value per share ( <i>in Rs</i> )	479.16	445.14	546.43	516.80
P/E based on PAT as per the latest audited financial result	9.13x	8.57x	7.37x	6.92x

(in Rs) - As per NSE				
Total Debt/ Equity Ratio	0.31x	0.36x	0.38x	0.43x

\*Excludes revaluation reserve; based on standalone and consolidated audited financials of the Company as on March 31, 2022. The post Buyback numbers are calculated by reducing the net worth by the proposed Buyback of Rs. 150,00,00,000/- (assuming full acceptance) without factoring in any other impact to the net worth.

Note: Amounts mentioned in the table above are rounded off.

The key ratios have been computed as below:

Key Ratios	Basis
Basic EPS (in Rs)	Profit after Tax (excluding other comprehensive income)/Equity Share Capital; Profit after Tax based on the standalone and consolidated audited financials for the period ended on March 31, 2022.
Book value per share (in Rs)	Networth / No. Equity Share; Networth / No. Equity Share; Networth based on the standalone and consolidated audited financials as of March 31, 2022 and excludes revaluation reserves
Total Debt-Equity Ratio	Total Debt / Networth based on the standalone and consolidated audited financials as of March 31, 2022; Networth excludes revaluation reserves
Return on Net worth (%)	Profit After Tax / Net Worth based on standalone and consolidated audited financials for financial year 2021-22; Networth based on Standalone and Consolidated audited financials for the period ended on March 31, 2022 and excludes revaluation reserves.
P/E Ratio	P/E ratio based on the NSE closing market price as on the date of Board Meeting i.e. November 14, 2022 i.e. Rs. 827.15 and Earnings per Share based on the Profit after tax (excluding other comprehensive income) based of consolidated audited financials for the financial year 2021-22.

## 11. BASIS OF CALCULATING THE BUYBACK OFFER PRICE

11.1 The Equity Shares of the Company are proposed to be bought back at a price of Rs. 1,000/- (Rupees One Thousand only) per share ("**Offer Price**"). The Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on BSE and NSE i.e., the stock exchanges, where the Equity Shares of the Company are listed, impact on net worth, price earnings ratio, earnings per share and other financial parameters.

11.2 The Offer Price represents:

- i) Premium of 19.88% and 19.63% to the volume weighted average market price of the Equity Share on NSE and BSE respectively, during the three months preceding the November 09, 2022 i.e. date of intimation to the Stock Exchanges ("**Intimation date**") for the Board Meeting to consider the proposal of the Buyback.
- ii) Premium of 30.47% and 30.71% over the volume weighted average market price of the Equity Shares on NSE and BSE respectively, for two weeks preceding the Intimation Date.
- iii) Premium of 25.45% and 23.53% over the closing price of the Equity Shares on NSE and BSE respectively, as on the Intimation Date.
- iv) Premium of 27.78% and 28.49% over the closing price of the Equity Share on NSE and BSE respectively, as on November 07, 2022, which is a day preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

- 11.3 For trends in the market price of the Equity Shares, please refer to paragraph 18 “**Stock Market Data**” on page 37 of this Draft Letter of Offer.
- 11.4 The closing market price of Equity Shares of the Company as on the Intimation Date (i.e. November 09, 2022) was Rs. 797.15 and Rs. 809.50 on NSE and BSE respectively.
- 11.5 For details of salient financial parameters, both pre-Buyback and post-Buyback, based on the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022, please refer to paragraph 10.8 of this Draft Letter of Offer.

## **12. SOURCES OF FUNDS FOR THE BUYBACK**

- 12.1 Assuming full acceptance, the funds that would be utilised by the Company for the purpose of the Buyback of up to 15,00,000 (Fifteen Lakhs only) Equity Shares at a price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share aggregating maximum amount of Rs.150,00,00,000/- (Rupees One Hundred Fifty Crores only) excluding the Transaction Costs.
- 12.2 The funds required for implementation of the Buyback (including the Transaction Costs) will be sourced from cash and cash equivalents of the Company or such other source as may be permitted by the SEBI Buyback Regulations or the Companies Act. The Company shall transfer from its free reserves and/or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and details of such transfer shall be disclosed in its subsequent audited financial statements. The funds borrowed, if any, from banks and financial institutions shall not be used for the Buyback.
- 12.3 The Company confirms that the funds for the Buyback will be made available out of its internal accruals and not out of the funds borrowed, if any, from banks and financial institutions.

## **13. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN**

- 13.1 In accordance with Regulation 9(xi) of the SEBI Buyback Regulations, the Company has appointed IDFC FIRST Bank Limited, having its registered office at KRM Tower, 7th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031, India, as the Escrow Agent for Buyback (the “**Escrow Agent**”), and an Escrow Agreement dated December 20, 2022 has been entered into amongst the Company, Manager to the Buyback and Escrow Agent.
- 13.2 In accordance with the SEBI Buyback Regulations and pursuant to the Escrow Agreement, the Company has opened an Escrow Account in the name and style “**TIIL – BUYBACK ESCROW ACCOUNT – 2022**” bearing account number 10302600194 with the Escrow Agent. In accordance with the Regulation 9(xi) of the SEBI Buyback Regulations, the Company proposes to deposit with the Escrow Agent in Cash and arrange for a bank guarantee to be issued in favour of the Manager to the Buyback on or before the Buyback Opening Date in accordance with the SEBI Buyback Regulations. Further, the Company shall also deposit 1% cash in the said escrow account in accordance with Regulation 9(xi)(h) of the SEBI Buyback Regulations. In accordance with the Buyback Regulations, the Manager to the Buyback will be empowered to operate the Escrow Account and the bank guarantee. Such bank guarantee shall be valid until 30 days after the Buyback Closing Date, i.e., [●].

## **14. FIRM FINANCIAL ARRANGEMENT**

- 14.1 The Company, duly authorized by its Board Resolution, has identified and earmarked specific investments for the purpose of fulfillment of the obligations of the Company under the Buyback. Such investments, together with funds provided for escrow arrangements, are in excess of the Buyback Size.
- 14.2 Based on the resolution of the Board of Directors dated November 14, 2022 and resolution of the shareholders’ dated December 18, 2022 in this regard, and other facts/documents, Ms. Sweta Sonthalia, Chartered Accountants, has certified vide her letter dated December 09, 2022 that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback.

- 14.3 Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the SEBI Buyback Regulations.

## 15. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 15.1 The present capital structure of the Company as on the date of this Draft Letter of Offer and the post-Buyback capital structure of the Company are set forth below:

Particulars	Present	Post completion of Buyback
Authorised share capital	Rs. 40,00,00,000 (4,00,00,000 Equity Shares)	Rs. 40,00,00,000 (4,00,00,000 Equity Shares)
Issued, subscribed and fully paid-up share capital	Rs 24,46,16,870 (2,44,61,687 Equity Shares)	Rs. 22,96,16,870 (2,29,61,687 Equity Shares) <sup>#</sup>

<sup>#</sup>Assuming the full Acceptance of the Buyback Offer Size. However, the post-Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back.

- 15.2 The Company has not undertaken any buyback of shares during the last three years from the date of this Draft Letter of Offer.

- 15.3 The Company confirms that:

- all Equity Shares are fully paid-up and there are no partly-up shares or calls-in-arrears;
- there are no outstanding preference shares or convertible securities;
- it shall not issue, including through a bonus issue, Equity Shares or any other specified securities, until the expiry of Buyback Period in accordance with Regulation 24(i)(b) of the SEBI Buyback Regulations;
- no scheme of amalgamation or compromise or arrangement pursuant to the Companies Act is pending in relation to the Company;
- no Equity Shares are under lock-in

- 15.4 The shareholding pattern of the Company before the Buyback (as on Record Date) and after the Buyback, is provided below:

Particulars	Pre -Buyback		Post –Buyback <sup>#</sup>	
	Number of Equity Shares	% to the existing Equity Share Capital	Number of Equity Shares	% to the post-Buyback Equity Share Capital
Promoters and persons acting in concert (Collectively “the Promoters”)	[●]	[●]	[●]	[●]
Foreign Investors (Including Non- Resident Indians, FIIs)	[●]	[●]	[●]	[●]
Financial Institutions/Banks & Mutual Funds promoted by Banks/Institutions and Insurance Companies	[●]	[●]	[●]	
Others (Public, Public Bodies Corporate etc.)	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]	

<sup>#</sup>Assuming the full Acceptance of the Buyback Offer Size. However, the post-Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back.

- 15.5 Assuming full acceptance of the Buyback, the issued, subscribed and paid up equity share capital of the Company would be as fully set out in paragraph 15.1 of this Draft Letter of Offer.

15.6 Please refer to paragraph 15.4 of this Draft Letter of Offer for details regarding shareholding (pre and post Buyback) of the Promoter and Members of the Promoter Group in the Company.

## 16. BRIEF INFORMATION ABOUT THE COMPANY

16.1 The Company was originally formed and incorporated as 'Unlimited Company' under Part IX of the Companies Act, 1956 in the name of "Technocraft Industries (India)" on October 22, 1991 with the Registrar of Companies, Maharashtra. The Company was converted to a 'limited company' under Section 32 of the Companies Act, 1956 vide fresh certificate dated October 28, 1992 and name of the Company was subsequently changed to "Technocraft Industries (India) Limited". The registered office of the Company is located at Plot No. 47, Opus Centre, Second Floor, Central Road MIDC, Opp. Tunga Paradise Hotel, Andheri East, Mumbai - 400093, Maharashtra, India. The Corporate Identification Number of the Company is L28120MH1992PLC069252.

16.2 The Company is a multi-product manufacturing company it manufactures high precision and sophisticated products, mainly for discerning worldwide markets. The Company has a significant position in five main business industries viz., Drum Closures, Scaffolding Systems, Cotton Yarn, Fabric, Garments and Engineering Services. The Company has diversified operations and manufacturing including, vertically Integrated Textile division of manufacturing of Yarn, Fabric, Garments, it has facility of producing cotton yarn, mélange yarn, also having facility of knitting, dyeing and printing and garmenting. The Drum Closures, Scaffolding, Yarn & Garment divisions are located at Murbad, District Kalyan, Maharashtra and one Yarn Manufacturing Unit is located at Amravati, Maharashtra. The Company is also having manufacturing facility of drum closures and scaffolding in China.

16.3 As on date of this DLOF, the Company has following Subsidiary Companies:

### **A. Direct Indian subsidiaries:**

- Technosoft Engineering Projects Limited
- Technocraft Tabla Formwork Systems Private Limited
- Techno Defence Private Limited
- Shivale Infraproducts Private Limited
- Technocraft Fashions Limited
- Technocraft Textiles Limited
- Technomatic Packaging Private Limited
- Technocraft Specialty Yarns Limited

### **B. Direct foreign subsidiaries:**

- Technocraft International Limited, UK (WOS of the Company)
- Technocraft Trading Spolka Zoo, Poland (WOS of the Company)
- Anhui Reliable Steel Technology Co Ltd, China (WOS of the Company)
- Technocraft NZ Limited, New Zealand (WOS of the Company)

### **C. Step down subsidiaries:**

- Technosoft Engineering, Inc, USA (WOS of TEPL)
- Technosoft Engineering UK Ltd, UK, (WOS of TEPL)
- Technosoft GMBH, Germany, (Subsidiary of TEPL)
- Highmark International Trading FZE, UAE (WOS of TIL-UK)
- AAIT / Technocraft Scaffold Distribution LLC, USA (Subsidiary of TIL-UK).
- Technosoft Innovations INC, USA (WOS of TEI-USA)
- Technosoft Services, INC, USA (WOS of TEI-USA)

16.4 The Company's Equity Shares are listed on NSE and BSE since February 12, 2007. The Equity Shares are currently traded under the trading code(s) TIIL and 532804 at NSE and BSE respectively. The ISIN of the Equity Shares of the Company is INE545H01011.



16.5 Growth of the Company (Year on Year):

Particulars	Standalone	
	March 31, 2022	March 31, 2021
Revenue (in Rs)	1,66,690.09	99,519.44
<b>Growth %</b>	67.50%	-
Profit After Tax (in Rs)	22,185.20	11,198.33
<b>Growth %</b>	98.11%	-

Particulars	Consolidated	
	March 31, 2022	March 31, 2021
Revenue (in Rs)	1,91,110.50	1,29,454.37
<b>Growth %</b>	47.63%	-
Profit After Tax (in Rs)	27,456.87	14,682.82
<b>Growth %</b>	87.00%	-

16.6 The following table sets forth the history of the Equity Share Capital of the Company:

Date of the allotment of Equity Shares	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs)	Nature of consideration Cash/other than Cash	Reason for allotment	No. of Equity Shares	Paid up Capital
28.10.1992	10,000	10/-	10/-	Cash	Subscribed at the time of incorporation of Company	10,000	1,00,000
19.03.1994	622	10/-	Nil	Other Cash than	As per the Scheme of Amalgamation*	10,622	1,06,220
01.09.1994	9,55,980	10/-	Nil	Other Cash than	Bonus Shares issued in ratio 90:1	966,602	96,66,020
07.10.1994	48,33,010	10/-	Nil	Other Cash than	Bonus Shares issued in ratio 5:1	5,799,612	5,79,96,120
16.02.1998	8,30,888	10/-	10/-	Cash	Right Shares issued in ratio 15:100	6,630,500	66,30,50,000
06.03.2002	(6,63,050)	10/-	218/-	Cash	Buyback of shares	5,967,450	5,96,74,500
27.06.2002	(8,95,118)	10/-	238/-	Cash	Buyback of shares	50,72,332	5,07,23,320
07.02.2003	(2,436)	10/-	305/-	Cash	Buyback of shares	50,69,896	5,06,98,960
11.03.2003	15,60,604	10/-	Nil	Other Cash than	Bonus Shares issued in ratio 0.31:1	66,30,500	6,63,05,000
10.03.2005	66,30,500	10/-	Nil	Other Cash than	Bonus Shares issued in ratio 1:1	1,32,61,000	13,26,10,000
28.02.2006	99,45,750	10/-	Nil	Other Cash than	Bonus Shares issued in ratio 3:4	2,32,06,750	23,20,67,500
27.01.2007	83,20,000	10/-	105/-	Cash	IPO	3,15,26,750	31,52,67,500
24.02.2016	(52,26,750)	10/-	270/-	Cash	Buyback of Shares	2,63,00,000	26,30,00,000
01.03.2018	(18,38,313)	10/-	525/-	Cash	Buyback of Shares	2,44,61,687	24,46,16,870
<b>Total</b>	<b>2,44,61,687</b>						

\*Merger of Eskiedee Metal Crafts Pvt Ltd and Technocraft Fabricators (Bombay) Ltd at a consideration of 1 equity shares of Technocraft Industries (India) Ltd for 40 equity shares held by members of Eskiedee Metal Crafts Pvt Ltd and 1000 equity shares held by members of Technocraft Fabricators (Bombay) Ltd respectively.

16.7 The following table sets forth details regarding the Board of Directors as on the date of the Public Announcement (i.e., December 19, 2022):

Name	Designation	Date of Appointment/ Reappointment/Joining	Other Directorships and designated partnerships in LLPs
<p>Mr. Sharad Kumar Saraf</p> <p><b>Qualification:</b> Electronic Engineer from IIT, Mumbai</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 75 Years</p> <p><b>DIN:</b> 00035843</p>	<p>Chairman &amp; Managing Director</p>	<p>September 05, 2022</p>	<ul style="list-style-type: none"> <li>• Technosoft Engineering Projects Ltd</li> <li>• BMS Industries Pvt. Ltd.</li> <li>• Manglam Organic Ltd.</li> <li>• Cotton Association of India</li> <li>• The Council of EU Chamber of Comm.</li> <li>• Technocraft Tabla Formwork System Pvt. Ltd</li> <li>• Nutricraft Products Pvt. Ltd.</li> <li>• Indus Engineers For Service Foundation</li> <li>• Ashrey International Trading Pvt Ltd</li> <li>• Steel Drum Association of India</li> <li>• Techno Defence Pvt. Ltd.</li> <li>• Technocraft international Ltd, UK</li> <li>• Technocraft Trading Spolka, Poland</li> <li>• The Cotton Textiles Export Promotion Council</li> <li>• Paithan Eco Foods Pvt Ltd.</li> <li>• Shivale Infraproducts Pvt Ltd</li> <li>• Technomatic Packaging Pvt Ltd</li> <li>• Benten Technologies LLP</li> <li>• Tukdoji Maharaj Farmer Producer Company Ltd</li> </ul>
<p>Mr. Sudarshan Kumar Saraf</p> <p><b>Qualification:</b> Electronic Engineer from IIT, Mumbai</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 73 Years</p> <p><b>DIN:</b> 00035799</p>	<p>Co-Chairman &amp; Managing Director</p>	<p>September 01, 2018</p>	<ul style="list-style-type: none"> <li>• Ashrit Holdings Ltd.</li> <li>• Technosoft Engineering Projects Ltd</li> <li>• BMS Industries Pvt Ltd.</li> <li>• Nutricraft products Pvt. Ltd.</li> <li>• Hochstein International Trading Pvt Ltd</li> <li>• Techno Defence Pvt Ltd</li> <li>• Impact Engineering Solutions Inc, USA</li> <li>• Technocraft Fashions Ltd</li> <li>• Technocraft Textiles Ltd</li> <li>• Technocraft Specialty Yarns Ltd</li> <li>• Technomatic Packaging Pvt Ltd</li> <li>• Paithan Eco Foods Pvt Ltd</li> </ul>
<p>Mr. Navneet Kumar Saraf</p> <p><b>Qualification:</b> B.E.(Mech.) From University of Manchester</p>	<p>Whole-time Director &amp; CEO</p>	<p>February 06, 2020</p>	<ul style="list-style-type: none"> <li>• BMS Industries Pvt Ltd.</li> <li>• Technocraft Tabla Formwork System Pvt. Ltd</li> <li>• M.D. Saraf Securities Pvt. Ltd</li> <li>• Ashrit Holdings Ltd.</li> <li>• Technosoft Engineering Projects Ltd</li> <li>• Hochstein International Trading Pvt Ltd</li> <li>• Technocraft International Ltd., UK</li> </ul>

Name	Designation	Date of Appointment/ Reappointment/Joining	Other Directorships and designated partnerships in LLPs
<b>Occupation:</b> Business  <b>Age:</b> 45 Years  <b>DIN:</b> 00035686			<ul style="list-style-type: none"> <li>• Technosoft Services, Inc, USA</li> <li>• Technosoft Innovation Inc., USA</li> <li>• Impact Engineering Solutions Inc, USA</li> <li>• TCI Industries Ltd</li> <li>• Technocraft Fashions Ltd</li> <li>• Technocraft Textiles Ltd</li> <li>• Technocraft Specialty Yarns Limited</li> <li>• Technomatic Packaging Pvt Ltd</li> <li>• GIC Corporate Leaders' Foundation</li> </ul>
Mr. Ashish Kumar Saraf  <b>Qualification:</b> Master in Textile Technology from University of Manchester  <b>Occupation:</b> Business  <b>Age:</b> 41 Years  <b>DIN:</b> 00035549	Whole-time Director & CFO	February 06, 2020	<ul style="list-style-type: none"> <li>• BMS Industries Pvt Ltd</li> <li>• Technsoft Engineering Projects Ltd</li> <li>• Ashrit Holdings Ltd</li> <li>• Ashrey International Trading Pvt Ltd</li> <li>• Ashrit Infrastructure Developers LLP</li> <li>• Technocraft International Ltd, UK</li> <li>• Technocraft Trading Spolka, Poland</li> <li>• Impact Engineering Solutions Inc, USA</li> <li>• Confederation of Indian Textile Industry</li> <li>• Technocraft Fashions Ltd</li> <li>• Technocraft Textiles Ltd</li> <li>• Technocraft Specialty Yarns Ltd</li> <li>• Technomatic Packaging Pvt Ltd</li> <li>• M. D. Saraf Securities Pvt Ltd</li> </ul>
Mr. Atanu Choudhary  <b>Qualification:</b> Intermediate  <b>Occupation:</b> Service  <b>Age:</b> 62 Years  <b>DIN:</b> 02368362	Whole-time Director	August 10, 2020	None
Mr. Vishwambhar Chiranjilal Saraf  <b>Qualification:</b> Bachelor of Commerce, Master in Commerce, Bachelor of Law and Master of Arts  <b>Occupation:</b> Business  <b>Age:</b> 83 Years  <b>DIN:</b> 00161381	Independent Director	September 20, 2019	<ul style="list-style-type: none"> <li>• Remi Edelstahl Tubulars Ltd.</li> <li>• Remi Process Plant &amp; Machinery Ltd</li> <li>• Remi Elektrotechnik Ltd.</li> <li>• Aura Realfinvest Pvt. Ltd.</li> </ul>
Mr. Jagdeesh Mal Mehta	Independent Director	September 30, 2019	<ul style="list-style-type: none"> <li>• Banswara Syntex Ltd</li> </ul>

Name	Designation	Date of Appointment/ Reappointment/Joining	Other Directorships and designated partnerships in LLPs
<b>Qualification:</b> Bachelor in Law  <b>Occupation:</b> Business  <b>Age:</b> 75 Years  <b>DIN:</b> 00847311			
Mr. Vinod Balmukund Agarwala  <b>Qualification:</b> Bachelor degree in Science and Law  <b>Occupation:</b> Business  <b>Age:</b> 73 Years  <b>DIN:</b> 01725158	Independent Director	September 20, 2019	<ul style="list-style-type: none"> <li>• Suditul Trading &amp; Investment Co. Pvt. Ltd</li> <li>• GTL Infrastructure Ltd</li> <li>• V-Magnum Opus Strategic Solution Pvt. Ltd</li> <li>• SBM Chemicals and Instruments Pvt. Ltd.</li> <li>• Supreme Infrastructure India Ltd.</li> <li>• Poorti Agri Services Pvt. Ltd.</li> <li>• Supreme Infrastructure Bot Holdings Pvt Ltd</li> <li>• Supreme Panvel Indapur Tollways Pvt Ltd</li> <li>• Iris Business Services Ltd</li> <li>• West Coast Paper Mills Ltd</li> </ul>
Ms. Vaishali Mukund Choudhari  <b>Qualification:</b> Bachelor degree in Science and Master degree in Law  <b>Occupation:</b> Lawyer  <b>Age:</b> 49 Years  <b>DIN:</b> 06847402	Independent Director	September 30, 2019	None
Mr. Aubrey Ignatius Rebello  <b>Qualification:</b> Gold Medalist from IIM Ahmedabad, Engineer from IIT Bombay and a Certified Executive Coach from ICF and NEWS (Switzerland)  <b>Occupation:</b> Retired  <b>Age:</b> 75 Years  <b>DIN:</b> 08091710	Independent Director	September 30, 2018	None

- 16.8 The changes in our Board during the three years immediately preceding the date of the Public Announcement are as follows:

Name	Details of Change	Effective Date	Reasons
Mr. Sharad Kumar Saraf	Re-appointment	September 05, 2022	Re-appointed as Managing Director
Mr. Navneet Kumar Saraf	Re-appointment	February 06, 2020	Re-appointed as Whole-time Director
Mr. Ashish Kumar Saraf	Re-appointment	February 06, 2020	Re-appointed as Whole-time Director
Mr. Atanu Anil Choudhary	Re-appointment	August 10, 2020	Re-appointed as Whole-time Director
Mr. Vishwambhar Chiranjilal Saraf	Re-appointment	September 20, 2019	Re-appointed as Independent Director
Mr. Jagdeesh Mal Mehta	Re-appointment	September 30, 2019	Re-appointed as Independent Director
Mr. Vinod Balmukand Agarwala	Re-appointment	September 20, 2019	Re-appointed as Independent Director
Ms. Vaishali Mukund Choudhari	Re-appointment	September 30, 2019	Re-appointed as Independent Director

Except as mentioned above, there are no changes in our Board during the last three years immediately preceding the date of the Public Announcement.

- 16.9 The Buyback will not result in any benefit to directors of the Company, promoters and persons in control of the Company except to the extent of their participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback.

## 17. FINANCIAL INFORMATION

- 17.1 The salient financial information of the Company, as extracted from the audited standalone and consolidated results for the fiscal year 2020, 2021 and 2022 and unaudited standalone and consolidated results for six months period ended September 30, 2022:

(Rs in Lakhs)

Particulars	FINANCIAL INFORMATION							
	Standalone				Consolidated			
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	Unaudited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
Revenue from Operations (Net)	96,030.51	1,66,690.09	99,519.44	1,18,148.13	1,01,502.93	1,91,110.50	1,29,454.37	1,35,181.82
Other Income	1,852.51	4,386.52	4,479.23	3,838.98	1,623.91	4,744.60	5,779.47	4,216.22
<b>Total Income</b>	<b>97,883.02</b>	<b>1,71,076.61</b>	<b>1,03,998.67</b>	<b>1,21,987.11</b>	<b>1,03,126.84</b>	<b>1,95,855.10</b>	<b>1,35,233.84</b>	<b>1,39,398.04</b>
Total Expense (excluding finance costs, depreciation & amortization, tax and exceptional items)	81,879.26	1,35,849.12	82,084.90	1,01,722.30	80,990.00	1,51,902.95	1,07,921.79	1,14,806.53
Finance Cost	965.74	1,662.92	2,410.38	3,167.21	1,218.48	2,127.09	2,880.52	3,743.99
Depreciation & Amortisation	2,608.25	5,526.12	5,939.92	4,472.47	3,052.44	6,291.36	6,750.79	5,238.07
Exceptional Items	0.00	1,195.35	1,062.64	0.00	0.00	473.65	1,062.64	0.00
<b>Profit before Tax</b>	<b>12,429.77</b>	<b>29,233.80</b>	<b>14,626.11</b>	<b>12,625.13</b>	<b>17,865.92</b>	<b>36,007.35</b>	<b>18,743.38</b>	<b>15,609.45</b>
Provision for Tax (including deferred tax)	3,069.88	7,048.60	3,427.78	2,657.93	4,142.18	8,550.48	4,060.56	3,290.36
<b>Profit after Tax</b>	<b>9,359.89</b>	<b>22,185.20</b>	<b>11,198.33</b>	<b>9,967.20</b>	<b>13,723.74</b>	<b>27,456.87</b>	<b>14,682.82</b>	<b>12,319.09</b>
Paid-up equity share capital	2,446.17	2,446.17	2,446.17	2,446.17	2,446.17	2,446.17	2,446.17	2,446.17
Reserves and Surplus*	1,24,385.82	1,14,058.60	92,101.06	82,102.67	1,44,473.96	1,30,757.26	1,04,491.26	91,415.64
<b>Net worth</b>	<b>1,26,831.99</b>	<b>1,16,504.77</b>	<b>94,547.23</b>	<b>84,548.84</b>	<b>1,46,920.13</b>	<b>1,33,203.43</b>	<b>1,06,937.43</b>	<b>2,446.17</b>
Non-current Borrowings	3,846.69	4,773.45	10,547.84	13,538.24	3,846.69	4,784.22	10,569.46	13,577.57
Current borrowings (including Current portion of long term borrowings)	31,854.86	31,796.39	23,132.66	36,910.27	46,385.13	45,830.28	36,122.75	49,930.66
<b>Total debt</b>	<b>35,701.55</b>	<b>36,569.84</b>	<b>33,680.50</b>	<b>50,448.51</b>	<b>50,231.82</b>	<b>50,614.50</b>	<b>46,692.21</b>	<b>63,508.23</b>

\*Excluding revaluation reserves and miscellaneous expenditure to the extent not written off and foreign currency translation reserve.

KEY RATIOS								
Particulars	Standalone				Consolidated			
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
Basic EPS (in Rs)	38.26	90.69	45.78	40.75	53.33	109.36	58.38	48.95
Diluted EPS (in Rs)	38.26	90.69	45.78	40.75	53.33	109.36	58.38	48.95
Book Value Per Share (in Rs)	518.49	476.27	386.51	345.64	600.61	544.54	437.16	10.00
Total Debt/Equity	0.28	0.31	0.36	0.60	0.34	0.38	0.44	25.96
Return on Net Worth (%)*	7.38%	19.04%	11.84%	11.79%	9.34%	20.61%	13.73%	503.61%

\*Excluding revaluation reserves and miscellaneous expenditure to the extent not written off and foreign currency translation reserve.

The key ratios have been computed as below:

Key Ratios	Basis
Basic EPS (in Rs)	Net Profit After Tax attributable to equity shareholders / Weighted average number of Shares outstanding during the year
Book value per share (in Rs)	Net worth (excluding foreign currency translation reserve) / Number of Equity Shares outstanding at year end
Total Debt-Equity Ratio	Total Debt / Net Worth (excluding foreign currency translation reserve)
Return on Net worth (%)	Net Profit After Tax / Average Net Worth (excluding foreign currency translation reserve)

17.2 The Company hereby declares that it will comply with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, if it becomes applicable, in connection with the Buyback.

17.3 The Company hereby also declares that it has complied with and will comply with Sections 68, 69 and 70 of the Companies Act and all other provisions of the Companies Act, as may be applicable to the Buyback.

## 18. STOCK MARKET DATA

18.1 The Equity Shares are currently listed and traded only on the BSE and NSE. The Equity Shares are currently traded under the trading code(s) 532804 at BSE and TIIL at NSE. The ISIN of the Equity Shares of the Company is INE545H01011.

18.2 The high, low and average market prices in preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of release of the Public Announcement i.e. December 20, 2022 and their corresponding volumes on NSE and BSE are given below:

### NSE:

Period	High*	Date of High	Number of Equity Shares traded on that date	Low*	Date of Low	Number of Equity Shares traded on that date	Average Price*	Total Volume of Equity Shares traded in the period (No. of Equity Shares)
<b>Preceding 3 years</b>								
April 01, 2021 to March 31, 2022	1,111.00	21 March 2022	25,072	355.10	19 April 2021	23,211	715.77	90,79,864
April 01, 2020 to March 31, 2021	444.00	18 February 2021	33,450	168.00	03 April 2020	10,443	303.82	54,17,526

April 01, 2019 to March 31, 2020	573.00	04 April 2019	12,425	144.45	24 March 2020	53,658	367.91	22,17,365
<b>Preceding six months</b>								
November 01, 2022 to November 30, 2022	894.45	30 November 2022	14,248	751.60	04 November 2022	7,604	826.87	3,16,527
October 01, 2022 to October 31, 2022	819.00	06 October 2022	47,673	701.05	14 October 2022	17,560	747.21	2,32,417
September 01, 2022 to September 30, 2022	926.45	02 September 2022	19,208	742.40	28 September 2022	12,847	835.93	3,55,232
August 01, 2022 to August 31, 2022	1,040.00	03 August 2022	21,517	886.55	23 August 2022	14,921	942.89	2,76,214
July 01, 2022 to July 31, 2022	1,040.70	07 July 2022	1,10,467	863.00	04 July 2022	3,831	947.46	2,77,967
June 01, 2022 to June 30, 2022	1,130.00	03 June 2022	29,821	804.60	20 June 2022	17,645	950.43	3,34,762

Source: [www.nseindia.com](http://www.nseindia.com)

\*High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.

#### BSE:

Period	High*	Date of High	Number of Equity Shares traded on that date	Low*	Date of Low	Number of Equity Shares traded on that date	Average Price*	Total Volume of Equity Shares traded in the period (No. of Equity Shares)
<b>Preceding 3 years</b>								
April 01, 2021 to March 31, 2022	1,109.70	17 March 2022	6,474	356.25	19 April 2021	1,800	715.44	10,51,328
April 01, 2020 to March 31, 2021	444.20	18 February 2021	3,998	169.80	03 April 2020	776	304.00	7,24,658
April 01, 2019 to March 31, 2020	579.80	04 April 2019	1,764	144.00	24 March 2020	7,328	367.61	2,97,129
<b>Preceding six months</b>								
November 01, 2022 to November 30, 2022	890.25	30 November 2022	1,135	746.95	03 November 2022	2,562	827.38	23,044
October 01, 2022 to October 31, 2022	846.00	04 October 2022	1,530	689.65	14 October 2022	2,577	747.42	22,201
September 01, 2022 to September 30, 2022	925.00	02 September 2022	467	741.2	28 September 2022	1,897	837.17	41,337
August 01, 2022 to August 31, 2022	1,040.00	04 August 2022	617	866.80	29 August 2022	1,096	943.17	22,210
July 01, 2022 to July 31, 2022	1,047.50	07 July 2022	5,685	850.00	06 July 2022	376	948.17	21,294
June 01, 2022 to June 30, 2022	1,124.95	03 June 2022	2,409	808.05	20 June 2022	967	950.75	34,115

Source: [www.bseindia.com](http://www.bseindia.com)

\*High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.

18.3 The proposal for the Buyback was approved at the Board Meeting, for which the intimation was sent to the Stock Exchanges on November 09, 2022. The closing market price of the Equity Shares on BSE and NSE during this period are summarised below:

Event	Date	BSE (₹)	NSE (₹)
Notice of the Board Meeting convened to consider the proposal of the Buyback	November 09, 2022	809.50	797.15
1 (One) trading day prior to the notice of the Board Meeting	November 08, 2022	Holiday	Holiday
1 (One) trading day prior to the Board Meeting	November 11, 2022	807.40	805.80

Date of the Board Meeting	November 14, 2022	827.20	827.15
1 (One) trading day post the Board Meeting	November 15, 2022	869.50	871.20

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

## 19. DETAILS OF STATUTORY APPROVALS

- 19.1 The Buyback will be subject to such necessary approvals as may be required under the applicable laws including from SEBI, NSE and/ or BSE, and the Buyback from Non-Resident Shareholders, erstwhile overseas corporate bodies and other applicable categories will be subject to such approvals of the Reserve Bank of India, if any, under FEMA and/or such other applicable rules and regulations in force for the time being.
- 19.2 The Board at its meeting held on November 14, 2022, approved the proposal for Buyback and the Equity Shareholders approved the Buyback by a special resolution through a postal ballot, the results of which were declared on December 19, 2022.
- 19.3 The Buyback from each Eligible Shareholder is subject to all statutory consents and approvals as may be required by such Eligible Shareholder under applicable laws and regulations. The Eligible Shareholder shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the Reserve Bank of India, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buyback. An Eligible Shareholder would be required to provide copies of all such consents and approvals obtained by them to the Registrar to the Buyback. The Buyback of Shares from Non-Resident Shareholders, Overseas Corporate Bodies (OCBs) Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc., will be subject to approvals, if any, of the Appropriate Authorities, including RBI under FEMA, as applicable. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the Tender Form, so as to enable themselves to tender Equity Shares in the Buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment in respect of the Equity Shareholders for whom no prior approval from the RBI is required and not accept Equity Shares from the Equity Shareholders in respect of whom prior approval from the RBI is required and in the event copies of such approvals are not submitted. Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA Regulations, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI.
- 19.4 Erstwhile OCBs are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 19.5 By agreeing to participate in the Buyback, the non-resident Eligible Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting if required by the Company.
- 19.6 The Company confirms that there is no other statutory or regulatory approval required by it for the Buyback as on the date of this Draft Letter of Offer. If any statutory or regulatory approval becomes applicable subsequently, the Buyback will be subject to such statutory or regulatory approval(s) and the Company shall obtain such statutory approvals as may be required, from time to time, if any. In the event of any delay in receipt of any statutory/ regulatory approvals, changes to the proposed timetable of the Buyback, if any, shall be intimated to the Stock Exchanges.

## 20. DETAILS OF REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE

Eligible shareholders are required to send Tender Form along with the other requisite document(s), as mentioned in ***“Procedure for Tender Offer and Settlement”*** on page 45 of this Draft Letter of Offer along with Transaction Registration Slip (***“TRS”***) generated by the stock exchange bidding system upon placing of a bid, either by registered



post, speed post or courier or hand delivery to the Registrar to the Buyback, so that the same are received not later than 2 (two) Working Days of the Buyback Closing Date ([●] by IST 5:00 p.m. The envelope should be super scribed as “**Technocraft Industries (India) Limited – Buyback 2022**”. The Company has appointed Link Intime India Private Limited as the “Registrar to the Buyback” and in case of any query, the shareholders may contact the Registrar to the Buyback on any day, except Saturday, Sunday and public holidays between 9:30 a.m. and 5:30 p.m. at the following address:



**Link Intime India Private Limited**

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West) Mumbai – 400083, Maharashtra, India

**Telephone:** +91 810 811 4949

**Fax:** +91-22-4918 6195

**Email:** [technocraft.buyback@linkintime.co.in](mailto:technocraft.buyback@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration Number:** INR000004058

**Validity Period:** Permanent

For the Eligible Shareholders holding Equity Shares in demat form, submission of Tender Form and TRS to the Company, Manager or the Registrar is not mandatory. After the confirmation of lien marked in demat account of the Eligible Shareholders to the Clearing Corporation and a valid bid in the exchange bidding system, the Bid for Buyback shall be deemed to have been accepted for Eligible Shareholders holding the Equity Shares in demat form. Eligible Shareholders holding Equity Shares in the dematerialized form are requested to refer to paragraph 22.25 of this Draft Letter of Offer.

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

**ELIGIBLE SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.**

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

21.1 The Company proposes to Buyback up to 15,00,000 (Fifteen Lakhs Only) Equity Shares, representing 6.13% of the issued, subscribed and paid-up Equity Shares, from all Eligible Shareholders (Equity Shareholders as on the Record Date, being Friday, December 30, 2022 on a proportionate basis, through the ‘tender offer’ process, at a price of Rs 1,000/- (Rupees One Thousand Only) per Equity Share, payable in cash, for an aggregate amount not exceeding Rs.150,00,00,000/- (Rupees One Hundred Fifty Crores only) excluding the Transaction Costs, which represents 12.88% and 8.40% of the aggregate of the Company’s paid-up capital and free reserves as per the audited financials of the Company as on March 31, 2022, on a standalone and consolidated basis respectively (i.e., the last audited financial statements available as on the date of the Board Resolution approving the Buyback).

21.2 The Buyback is in accordance with the provisions of Companies Act, Article 61 of the Articles of Association of the Company and subject to the provisions of the SEBI Buyback Regulations, and such other approvals, permissions as may be required from time to time from the Stock Exchanges any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, issued by SEBI, which prescribes mechanism for acquisition of shares through stock exchange

and in accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the physical shareholders are allowed to tender their shares in the Buyback, as per the provisions of the SEBI Buyback Regulations (the “SEBI Circulars”). In this regard, the Company will request NSE to provide the acquisition window.

21.3 The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders may take their own decision after consulting their own advisors, as they may deem fit, regarding their participation in the Buyback

21.4 The Promoters and Members of the Promoters Group intends and may participate in the Buyback. For further details, please refer to “*Details of the Buyback Offer - Intention of the Promoters to participate in the Buyback*” on page 19.

21.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their Buyback Entitlement, the aggregate shareholding of the promoter and persons in control post the Buyback may increase / decrease from 74.68%, which is the shareholding as on the date of the Draft Letter of Offer, to [●] % of the post Buyback equity share capital of the Company.

21.6 **Record Date, Ratio of Buyback and Buyback Entitlement:**

a. As required under the SEBI Buyback Regulations, the Company has fixed Friday, December 30, 2022 as the Record Date for the purpose of determining the entitlement and the names of the shareholders of the Equity Shares, who are eligible to participate in the Buyback.

b. The Equity Shares to be bought back, as part of the Buyback is divided in to two categories and the entitlement of a shareholder in each category shall be calculated accordingly:

i. Reserved category for Small Shareholders (“**Reserved Category**”); and

ii. the General Category for all other Eligible Shareholders other than Small Shareholders (“**General Category**”).

c. ‘Small Shareholder’ has been defined under Regulation 2(i)(n) of the SEBI Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than Rs. 2,00,000 (Rupees Two Lakhs only), on the basis of closing price on BSE/ or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date Friday, December 30, 2022. As on the Record Date, the volume of Equity Shares traded on NSE was [●] Equity shares and on BSE was [●] Equity Shares. Accordingly, [●] being the stock exchange with highest trading volume, the closing price was Rs. [●] and hence all Eligible Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback.

d. Based on the above definition, there are [●] Small Shareholders with aggregate shareholding of [●] Equity Shares (as on the Record Date), which constitutes [●] % of the total paid-up Equity Share capital of the Company and [●] % of the [●] ([●] only) Equity Shares which are proposed to be bought back as part of this Buyback.

e. In furtherance to Regulation 6 of the SEBI Buyback Regulations, the reservation for the Small Shareholders (Reserved Category), will be higher of:

i. 15% of the number of Equity Shares which the Company proposes to Buyback, which works out to [●] ([●]) Equity Shares; or

ii. number of Equity Shares as per their entitlement as on the Record Date (i.e., [●] / [●] × [●]), which works out to [●] Equity Shares. All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the promoters and members of the promoter group also intend to participate in the Buyback.

In case the total number of Equity Shares held by the Small Shareholders on the Record Date is [●], which is less than [●] (higher of (i) and (ii) above), the maximum number of Equity Shares reserved for Small Shareholders will be restricted to the total number of Equity Shares held by the Small Shareholders as on Record Date.

- f. Based on the above and in accordance with Regulation 6 of the SEBI Buyback Regulations, [●] Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.
- g. In accordance with Regulation 9(ix) of the SEBI Buyback Regulations, in order to ensure that the same Eligible Shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback 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, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback 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 the 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.
- h. Based on the aforementioned, the entitlement ratio of Buyback for both categories is set forth below:

Category	Indicative Entitlement ratio in the Buyback*
Reserved category for Small Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date
General Category for all other Eligible Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date

*\*The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is [●]% and General Category for all other eligible Shareholders is [●].%*

## 21.7 Fractional Entitlements

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] or less Equity Shares as on the Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Shareholders to the extent possible and permissible.

## 21.8 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category:

In accordance with the Letter of Offer and Tender Form, the Acceptance in the Buyback from the Reserved Category will be implemented in the following order of priority:

- a. Full Acceptance (100%) from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- b. Post-acceptance as described in paragraph 21.8 (a) above, in case there are any Equity Shares left to be bought back from the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement) and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and one Equity Share each from the Additional Equity Shares tendered by such Small Shareholders would be bought back in the Reserved Category.
- c. Post-acceptance as described in paragraphs 21.8(a) and 21.8(b) above, in case there are any validly tendered unaccepted Equity Shares in the Reserved Category and any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buyback Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances shall be made in accordance with the SEBI Buyback Regulations (valid Acceptance per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by them divided by the total Additional Equity Shares validly tendered by the Small Shareholders and multiplied by the total number of Equity Shares remaining to be bought back in Reserved Category). For the purpose of this calculation, the Additional Equity Shares taken into account for the Small Shareholders, from whom one Equity Share has been Accepted in accordance with Paragraph 21.8 (b) above, shall be reduced by one.
- d. The procedure of adjustment for fractional results in case of proportionate Acceptance, as described in Paragraph 21.8 (c) above, is set forth below:
  - i. For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - ii. For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 21 of this Draft Letter of Offer.

#### **21.9 Basis of Acceptance of Equity Shares validly tendered in the General Category:**

In accordance with the Letter of Offer and Tender Form, the Acceptance in the Buyback from the General Category will be implemented in the following order of priority:

- a. Full Acceptance in the General Category from the Eligible Shareholders who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- b. Post-acceptance as described in Paragraph 21.9 (a) above, in case there are any validly unaccepted Equity Shares in the General Category and the Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the Eligible Shareholders under the General Category over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances shall be made in accordance with the SEBI Buyback Regulations (valid Acceptance per such Eligible Shareholder shall be equal to the Additional Equity Shares validly tendered by them divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total number of Equity Shares remaining to be bought back in General Category).

- c. Adjustment for fractional results in case of proportionate acceptance as described in Paragraph 21.9 (b) above is set forth below:
  - i. For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1(one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - ii. For any Eligible Shareholder if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 21 of this Draft Letter of Offer.

**21.10 Basis of Acceptance of Equity Shares between Categories:**

- a. In case there are any Equity Shares left to be bought back in one category (“**Partially Filled Category**”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be Accepted proportionately (valid Acceptances per Eligible Shareholder shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Shareholder in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially Filled Category).
- b. If the Partially Filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been accepted in accordance with “Basis of Acceptance of Equity Shares validly tendered in the Reserved Category” will be reduced by one Equity Share.
- c. Adjustment for fraction results in case of proportionate Acceptance, as described in Paragraph 21.9 (a) above is set forth below:
  - i. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - ii. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

**21.11 For avoidance of doubt, it is clarified that:**

- a. the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- b. the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date; and

- c. the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.
- d. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 21 of this Draft Letter of Offer.

## **22. PROCEDURE FOR TENDER OFFER AND SETTLEMENT**

### **A. GENERAL**

- 22.1 The Buyback is open to all eligible shareholders/ beneficial owners of the Company, i.e., the shareholders who on the Record Date were holding Physical Shares and the eligible shareholders/beneficial owners who on the Record Date were holding Demat Shares.
- 22.2 The Company proposes to implement the Buyback through the tender offer process, on a proportionate basis. In compliance with the SEBI Relaxation Circular, the Letter of Offer and Tender Form, outlining the terms of the Buyback and additional disclosures as specified in the SEBI Buyback Regulations, will be emailed to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date and who have their email id registered with the Company/ Depositories.
- 22.3 The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 22.23 below.
- 22.4 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court/ any other competent authority for transfer/ disposal/ sale or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
- 22.5 The Company shall comply with Regulation 24 (v) of the SEBI Buyback Regulations which restricts the Company from buying back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the time the Equity Shares become transferable.
- 22.6 The Eligible Shareholders participation in the Buyback is voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post-Buyback, without additional investment. The Eligible Shareholders may also tender a part of their Buyback Entitlement. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder, shall be in terms of procedure outlined in this Draft Letter of Offer.

- 22.7 The Company will accept Equity Shares validly tendered for the Buyback by the Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Shareholders will be accepted as per paragraphs 21.7, 21.8 and 21.9.
- 22.8 Eligible Shareholders will have to transfer their Demat Shares from the same demat account in which they were holding such 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 Demat Shares were held (as on Record Date), such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback, and such tendered Demat Shares may be Accepted subject to appropriate verification and validation by the Registrar. The Board or the Buyback Committee authorised by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 22.9 The Equity Shares proposed to be bought back in the Buyback is divided into two categories and the entitlement of an Eligible Shareholder in each category shall be calculated accordingly:
- Reserved Category for Small Shareholders; and
  - the General Category for all other Eligible Shareholders.
- 22.10 After Accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
- 22.11 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- 22.12 For implementation of the Buyback, the Company has appointed Systematix Shares and Stocks (India) Limited as Company's Broker to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buyback and through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:



**Systematix Shares and Stocks (India) Limited**

The Capital, A-Wing, No. 603-606 6th Floor,  
Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East),  
Mumbai 400 051, Maharashtra, India

**Telephone:** +91-22-6619 8000

**Fax:** +91-22-6619 8029

**Email:** [compliance@systematixgroup.in](mailto:compliance@systematixgroup.in)

**Contact Person:** Mr. Dilip Goyal

**Website:** [www.systematixgroup.in](http://www.systematixgroup.in)

**SEBI Registration Number:** INZ000171134

- 22.13 The Buyback will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with SEBI vide circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI circular no. SEBI/HO/CFD/DCR/III/ CIR/P/2021/615 dated August 13, 2021, including any amendment or statutory modification and in accordance with the procedure prescribed in the Companies Act, the SEBI Buyback Regulations, circulars or notices issued by the Stock Exchanges,

and as may be determined by the Board of Directors, or the Buyback Committee, on such terms and conditions as may be permitted by law from time to time.

- 22.14 The Company shall request NSE being the designated stock exchange (“**Designated Stock Exchange**”) to provide a separate window (the “**Acquisition Window**”) to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the Acquisition Window will be as specified by NSE from time to time. During the Tendering Period all Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Seller Broker**”) during normal trading hours of the secondary market.
- 22.15 In the event the Seller Broker of any Eligible Shareholder is not registered with NSE as a trading member/ stockbroker/, then that Eligible Shareholder can approach any NSE registered stock broker and can register himself by using web based unique client code application (“**UCI online**”) facility through that NSE registered stock broker (after submitting all details as may be required by such NSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register himself by using UCI online facility through any other NSE registered stock broker, then that Eligible Shareholder may approach the Company’s Broker i.e., Systematix Shares and Stocks (India) Limited, to place their bids subject to completion of KYC requirements by the Company’s Broker.
- 22.16 The Eligible Shareholder approaching the Designated Stock Exchange registered stock broker (with whom he does not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker:

**In case of Eligible Shareholder being an Individual or HUF**

**If Eligible Shareholder is registered with KYC Registration Agency (“KRA”): Forms required:**

- Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

**If Eligible Shareholder is not registered with KRA: Forms required:**

- CKYC form including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
- PAN card copy
- Address proof
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Shareholder is HUF:**

**If Eligible Seller is registered with KYC Registration Agency (“KRA”): Forms required:**

- Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)



If Eligible Shareholder is not registered with KRA: Forms required:

- CKYC form of KARTA including FATCA, IPV, OSV if applicable
- KRA form
- Know Your Client (KYC) form Documents required (all documents self-attested):
- PAN card copies of HUF & KARTA
- Address proof of HUF & KARTA
- HUF declaration
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Shareholder other than Individual and HUF:**

If Eligible Shareholder is KRA registered: Form required

- Know Your Client (KYC) form Documents required (all documents certified true copy)
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of Directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

If Eligible Shareholder is not KRA registered: Forms required:

- KRA form
- Know Your Client (KYC) form Documents required (all documents certified true copy):
- PAN card copy of company/ firm/trust
- Address proof of company/ firm/trust
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of Directors/authorised signatories /partners/trustees
- PAN card copies & address proof of Directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MoA/Partnership deed /trust deed

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

- 22.17 In 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 Seller Broker during normal trading hours of the secondary market. The Seller Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.
- 22.18 The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
- 22.19 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 Broker.
- 22.20 Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- 22.21 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback.
- 22.22 The cumulative quantity tendered shall be made available on NSE website ([www.nseindia.com](http://www.nseindia.com)) throughout the trading session and will be updated at specific intervals during the Tendering Period.

**THE NON-RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE LETTER OF OFFER, SHALL NOT INVALIDATE THE BUYBACK IN ANY MANNER. PLEASE NOTE THAT THE COMPANY SHALL ACCEPT EQUITY SHARES VALIDLY TENDERED FOR THE BUYBACK OFFER ON THE BASIS OF THEIR HOLDING AND ENTITLEMENT AS APPEARING IN THE RECORDS OF THE COMPANY AS ON THE RECORD DATE.**

- 22.23 In case of non-receipt of the Letter of Offer and Tender Offer:

**22.23.1 In case the Eligible Shareholders holds Demat Shares:**

If Eligible Shareholder(s) who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or e-mail id mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name/ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company (i.e. [www.technocraftgroup.com](http://www.technocraftgroup.com)), or the Registrar to the Buyback (i.e. [www.linkintime.co.in](http://www.linkintime.co.in)) or by providing their application in writing on plain paper, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback. For further process, please refer to paragraph 22.25 titled "**Procedure to be followed by Eligible Shareholders holding Demat Shares**" on page 50 of this Draft Letter of Offer.

### 22.23.2 In case the Eligible Shareholders holds Physical Shares:

An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company (i.e. [www.technocraftgroup.com](http://www.technocraftgroup.com)) or by providing their application in writing on plain paper signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctiveness numbers thereof, bank account details together with the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed Form SH-4 in favour of the Company. The transfer Form (SH- 4) can be downloaded from the Company's website (i.e. [www.technocraftgroup.com](http://www.technocraftgroup.com)). Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback within 2 (two) days of bidding by such Seller Broker and same should reach on or before Buyback Closing Date by 5:00 p.m. If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar to the Buyback/Company or are not in the same order (although attested), the Company/Registrar to the Buyback shall have a right to reject such applications. For further process, please refer to paragraph 22.26 titled "**Procedure to be followed by Eligible Shareholders holding Physical Shares**" on page 52 of this Draft Letter of Offer.

**The Company shall accept Equity Shares validly tendered by the Eligible Shareholder(s) in the Buyback based on their shareholding as on the Record Date and the Buyback Entitlement.**

**Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback, before participating in the Buyback.**

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

22.24 The acceptance of the offer for Buyback made by the Company is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of the Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of documents during transit. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

### 22.25 Procedure to be followed by shareholders holding Demat Shares:

- a) Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buyback would have to do so through their respective Seller Broker by indicating to the concerned Seller Broker, the details of Equity Shares they intend to tender under the Buyback.
- b) The Seller Broker would be required to place an order/ bid on behalf of the Eligible Shareholder who wish to tender Demat Shares in the Buyback using the Acquisition Window of the NSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Demat Shares to the Clearing Corporation, by using the settlement number through the early pay in mechanism of the Depositories prior to placing the order/bid by the Seller Broker. This shall be validated by the Seller Broker at the time of order/bid entry. The details of the settlement number will be provided in a separate circular which shall be issued at the time of issue opening by the Clearing Corporation.

- c) The details of the settlement number under which the lien will be marked on the Equity Shares tendered for the Buyback will be provided in a separate circular to be issued by the Clearing Corporation.
- d) The lien shall be marked by the Seller Member in the demat account of the Eligible Shareholders for the shares tendered in Tender Offer. Details of shares marked as lien in the demat account of the shareholder shall be provided by the Depositories to Clearing Corporation. In case, the Shareholders demat account is held with one Depository and Clearing Member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the Tendering Period. Inter Depository Tender Offer (“IDT”) instructions shall be initiated by the shareholders at source depository to Clearing Member/Clearing Corporation account at target Depository. Source Depository shall block the shareholder’s securities (i.e., transfers from free balance to blocked balance) and send IDT message to target Depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.
- e) For custodian participant orders for Demat Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any 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 Seller Broker shall provide a 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) In case of Demat Shares, submission of Tender Form and TRS is not required. After the receipt of the Demat Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for Eligible Shareholders holding Demat Shares.
- h) Eligible Shareholders who have tendered their Demat Shares in the Buyback may deliver the Tender Form duly signed (by all Eligible Shareholders in case Demat Shares are in joint names) in the same order in which they hold the Equity Shares, along with TRS generated by the stock exchange bidding system upon placing of a bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback at the address mentioned on the cover page of this Draft Letter of Offer, so that the same are received on or before the Buyback Closing Date i.e. [●] (by 5:00 p.m.). The envelope should be super scribed as “**Technocraft Industries (India) Limited – Buyback 2022**”. In the event of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the stock exchange bidding system, the Buyback shall be deemed to have been Accepted for such shareholders holding Demat Shares.
- i) The Eligible Shareholders who have tendered their Demat Shares in the Buyback will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial Acceptance. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of Equity Shares by the Company.
- j) Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by 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 Broker’s depository pool account for

onward transfer to the Eligible Shareholder. In case of custodian participant orders, Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian depository pool account.

- k) Eligible Shareholders who have tendered their Demat Shares in the Buyback 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 death certificate and succession certificate/ legal heirship certificate, 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 authorisations (including board and/ or general meeting resolutions).

#### 22.26 Procedure to be followed by Eligible Shareholders holding Physical Shares:

- a) In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in buyback through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.
- b) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Seller 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 (i) 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), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (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, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) 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 Aadhar card, voter identity card or passport.
- c) Based on these documents, the concerned Seller 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 Buyback, using the acquisition window of NSE. Upon placing the bid, the Seller 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 no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- d) Any Seller Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & 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 Buyback i.e. Link Intime India Private Limited (at the address mentioned on cover page) on or before closing date by 5.00 P.M. The envelope should be super scribed as **“Technocraft Industries (India) Limited – Buyback 2022”**. One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Seller 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 Buyback by the Company shall be subject to verification as per the SEBI Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback 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 Buyback confirms the bids, they will be treated as ‘confirmed bids’.

- f) In case any Eligible Shareholder has submitted Equity Shares in physical form 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 Buyback before the closure of the tendering period of the Buyback.
- g) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar of the Company.
- h) An unregistered shareholder holding Physical Shares may also tender his shares for Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.

**22.27 Additional requirements in respect of tenders by the Non-Resident Shareholders:**

- a. While tendering their Equity Shares under the Buyback, all Eligible Shareholders being Non-Resident Shareholders (excluding FIIs) shall provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- b. Eligible Shareholders who are FIIs/FPIs should also enclose a copy of their SEBI registration certificate.
- c. In case the Equity Shares are held on a repatriation basis, the Non-Resident Eligible Shareholders shall obtain and enclose a letter from the Eligible Shareholder's authorised dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident shareholder from the appropriate account (e.g., NRE a/c) as specified by RBI in its approval. In case the Non-Resident shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted in the Buyback.
- d. If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

**B. ACCEPTANCE OF ORDERS**

The Registrar to the Buyback shall provide details of order Acceptance to the Clearing Corporation within specified timelines.

**C. METHOD OF SETTLEMENT**

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

- a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.

- b) The Company will pay funds pertaining to the Buyback to the Company Broker on or before the pay-in date for Settlement, who will then transfer the funds to the Clearing Corporation's bank account as per the prescribed schedule. The settlements of fund obligation for Demat Shares shall be affected as per the SEBI circulars and as prescribed by NSE and the Clearing Corporation from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Seller Broker (s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Seller Broker for onward transfer to such shareholders.
- c) In the case of Inter Depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source Depository will not be able to release the lien without a release of IDT message from Target Depository. Further, release of IDT message shall be sent by target Depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with Bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target Depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of Tendering Period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/ message received from target Depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target Depository on settlement date.
- d) 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 Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On Settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- e) The Demat Shares bought back would be transferred directly to the Company Demat Account provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of NSE. The Equity Shares bought back in the demat form would be transferred to the special demat account of the Company ("Demat Escrow Account") opened for the Buyback.
- f) The Eligible Shareholders of the Demat Shares will have to ensure that they keep their 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 Buyback.
- g) Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. Any excess Physical Shares pursuant to proportionate acceptance/ rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered in the Buyback.
- h) The Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- i) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Seller Broker's settlement accounts for releasing the same to such

shareholder's account.

- j) The Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- k) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Seller Broker's settlement accounts for releasing the same to such 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 Stock Exchanges and the Clearing Corporation from time to time.
- l) For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- m) Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Broker upon the Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- n) The Equity Shares bought will be extinguished in the manner and following the procedure prescribed in the SEBI Buyback Regulations.

#### **D. SPECIAL ACCOUNT OPENED WITH THE CLEARING CORPORATION**

The details of transfer of the Demat Shares to the special account of the Clearing Corporation under which the Equity Shares are to be transferred in the account of the Clearing Corporation by trading members or custodians shall be informed in the issue opening circular that will be issued by the NSE or the Clearing Corporation.

#### **E. REJECTION CRITERIA**

The Equity Shares tendered by Eligible Shareholders holding Demat Shares would be liable to be rejected on the following grounds:

- the Equity Shareholder is not an Eligible Shareholder (Equity Shareholder as on the Record Date); or
- in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding Physical Shares as on the Record Date and have placed their bid in demat form; or
- if there is a name mismatch in the demat account of the Eligible Shareholder and PAN; or
- Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

The Equity Shares tendered by Eligible Shareholders holding Physical Shares would be liable to be rejected on the following grounds, if:



- The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours on [●], 2022; or
- If there is any other company's share certificate / Invalid Certificate enclosed with the Tender Form instead of the share certificate of the Company; or
- If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or
- If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar to the Buyback; or
- The documents mentioned in the Tender Form for physical Equity Shareholders are not received by the Registrar before the close of business hours to the Registrar on or before [●] by 5:00 p.m.; or
- Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the titles to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
- If the PAN cards (self-attested) of the Shareholder and all the joint holders, are not submitted with the form

### 23. NOTE ON TAXATION

Disclosures in this section are based on expert opinion sought by the Company from Ms. Sweta Sonthalia, Chartered Accountant.

**Quote**

09 Dec 2022

To,  
 The Board of Directors  
**Technocraft Industries (India) Limited**  
 Plot No. 47, 'Opus Centre', Second Floor,  
 Central Road, MIDC, Andheri (E), Mumbai, 400093

Dear Sirs,

**Sub: Tax implications to the shareholders under the Buyback Offer made by your Company**

**THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS ON THESE TAX CONSIDERATIONS.**

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

**THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND THERE CAN BE NO LIABILITY ON THE COMPANY IF ANY ACTION IS TAKEN BY THE SHAREHOLDER SOLELY BASED ON THIS TAX SUMMARY. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.**

## **1.1 General**

The Indian tax year runs from April 1 to March 31 of subsequent year. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act, 1961 (“ITA”).

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. Vide Finance Act, 2020, certain non-resident individuals are deemed to be resident in India upon triggering of certain conditions. Deemed residents would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled in India.

In case of shares of a company, the source of income from shares would depend on the “situs” of the shares. As per ITA and Judicial precedents, generally the “situs” of the shares is where company is “incorporated” and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the Double Taxation Avoidance Agreement (“DTAA”), as modified by the Multilateral Instrument (MLI), if the same is applicable to the relevant DTAA between India and the respective country of which the said shareholder is tax resident. The above benefit may be available subject to satisfying relevant conditions prescribed under ITA including but not limited to availability of Tax Residency Certificate, non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under ITA as well as satisfying the relevant conditions under the respective DTAA including anti-abuse measures under the MLI, if applicable.

## **1.2 Classification of shareholders**

Section 6 of the ITA determines the residential status of an assessee. Accordingly, shareholders can be classified broadly in two categories as below:

### **A. Resident Shareholders being:**

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI), Firm, LLP
- Others (corporate bodies):
  - Company
  - Other than Company

B. Deemed Resident Shareholder –an individual being a citizen of India who is not liable to tax in any other country or territory by reason of domicile, residence or any other criteria of similar nature and has total income other than foreign sourced income exceeding Rs. 15 lakh during the tax year.

**C. Non-Resident Shareholders being:**

- Non-Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
  - Company
  - Other than Company

**1.3 Buyback of shares**

Section 115QA of the ITA introduced w.e.f. June 1, 2013 contains provisions for taxation of a domestic company in respect of Buy-Back of shares (within the meaning of Sec. 68 of the Companies Act, 2013). In effect, the incidence of tax stands shifted completely to the Company and not the recipient of the buyback proceeds.

Before the enactment of Finance Act (No 2), 2019, this section was not applicable to shares listed on a recognized stock exchange. The Finance Act (No 2), 2019 has amended section 115QA of the ITA with effect from 5th July, 2019 extending its provisions to cover distributed income on Buy-Back of Equity Shares of a company listed on a recognized stock exchange as well.

As per Section 115QA, listed companies making a public announcement of Buyback of shares 65 on or after 5th July 2019 are required to pay an additional Tax @ 20%, plus Surcharge @ 12%, plus Health & Education Cess @4% on the Distributed Income.

Distributed Income is defined under section 115QA to include Consideration paid by the company on buyback of Shares as reduced by the amount which was received by the company on issue of such shares, determined in the manner specified in Rule 40BB.

The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit therefor shall be claimed by the company or by any other person in respect of the amount of tax so paid.

No deduction under any other provision of this Act shall be allowed to the company or a shareholder in respect of the income which has been charged to tax.

Section 10(34A) of the ITA provided for exemption to a shareholder in respect of income arising from buyback of shares w.e.f. April 1, 2014 (i.e., Assessment year 2014-15). The Finance Act (No. 2), 2019 has also made consequential changes to section 10(34A) of the ITA extending the benefit of exemption of income from Buy-Back to shareholders in respect of shares listed on recognized stock exchange as well.

Thus, the tax implications to the following categories of shareholders are as under:

**A. Resident Shareholders or Deemed Resident Shareholders**

Income arising to the shareholder on account of Buy-Back of shares as referred to in section 115QA of the ITA is exempt from tax under the provisions of the amended section 10(34A) of the ITA with effect from July 5, 2019.

**B. Non-Resident Shareholders**

While the income arising to the shareholder on account of Buy-Back of Equity Shares as referred to in section 115QA of the ITA is exempt from tax under the provisions of the amended section 10(34A) with effect from July 5, 2019 in the hands of a Non-resident as well, the same may be subject to tax in the country of residence of the

shareholder as per the provisions of the tax laws of that country. The credit of tax may or may not be allowed to such non-resident shareholder to be claimed in the country of residence in respect of the Buy-Back tax paid by the company in view of Sec 115QA (4) and (5) of the ITA. Non-resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

#### **1.4 Tax deduction at source**

Currently, there are no provisions for tax deduction at source in respect of income earned from transfer/ Buy-Back of Equity Shares in case of resident shareholders/ deemed resident shareholders.

Given that income arising on account of the Buy-Back of Equity Shares is exempt from tax under Section 10(34A) of ITA, the same would not be subject to tax deduction at source for non-resident shareholders.

#### **1.5 Securities transaction tax**

Since the Buyback of Equity Shares shall take place through the settlement mechanism of the stock exchange, securities transaction tax at 0.1% of the value of the transaction will be applicable.

**THE SUMMARY OF THE TAX CONSIDERATIONS AS ABOVE IS BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS.**

**IN VIEW OF THE SPECIFIC NATURE OF TAX CONSEQUENCES, SHAREHOLDERS WHO ARE NOT TAX RESIDENTS OF INDIA ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE CONSIDERING THE PROVISIONS OF THE RELEVANT COUNTRY OR STATE TAX LAW AND PROVISIONS OF DTAA WHERE APPLICABLE.**

*Unquote*

#### **24. DECLARATION BY THE BOARD OF DIRECTORS**

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

- 24.1 The Board confirms that there are no defaults subsisting in the repayment of deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company, as applicable.
- 24.2 The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion:
- i. That Immediately following the date of the Board meeting, and the date on which the result of Members resolution passed by way of Postal Ballot ("**Postal Ballot Resolution**") will be declared, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
  - ii. As regards the Company's prospects for the year immediately following the date of the Board Meeting approving the Buyback as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting as also from the date of Postal Ballot Resolution;

- iii. In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 2013/Insolvency and Bankruptcy Code, 2016 as amended from time to time, as applicable.

This declaration is made and issued under the authority of the Board of Directors in terms of the resolution passed at the meeting of held on November 14, 2022.

**For and on behalf of the Board of Directors of Technocraft Industries (India) Limited**

Sd/-

**Sharad Kumar Saraf**  
**Chairman & Managing Director**  
**DIN: 00035843**

Sd/-

**Sudarshan Kumar Saraf**  
**Co-Chairman & Managing Director**  
**DIN : 00035799**

## 25. REPORT BY COMPANY'S STATUTORY AUDITOR

The text of the report dated November 14, 2022 received from M/s. M. L. Sharma & Co., Chartered Accountants (Firm's Registration No.109963W), the statutory auditor of the Company, addressed to the Board of Directors of the Company is reproduced below:

### **Quote:**

November 14, 2022

To,  
The Board of Directors  
**Technocraft Industries (India) Limited,**  
Plot No. 47, 'Opus Centre', Second Floor,  
Central Road, MIDC, Opposite Tunga Paradise Hotel,  
Andheri (East), Mumbai 400093

Dear Sirs /Madam,

**Re: Statutory Auditors' Report in respect of proposed buy back of Equity Shares by Technocraft Industries (India) Limited ('the Company') in terms of clause (xi) of Schedule I to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations")**

1. This Report is issued in accordance with the terms of our engagement letter dated 07<sup>th</sup> November, 2022. The Board of Directors of Technocraft Industries (India) Limited ("the **Company**") have approved a proposed buy-back of Equity Shares by the Company at its meeting held on 14<sup>th</sup> November, 2022, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the **Act**") read with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("SEBI Buy-back Regulations").
2. We have been requested by the Management of the Company to provide a report on the accompanying Statement of permissible capital payment ('**Annexure A**') as at 31st March, 2022 (hereinafter referred together as the "**Statement**"). This Statement has been prepared by the management, which we have initialed for the purpose of Identification.

### **Management's Responsibility for the Statement**

3. The preparation of the Statement in accordance with Section 68(2) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buy-back Regulations, is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and

presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Companies Act and the SEBI Buyback Regulations.

#### **Auditors' Responsibility**

5. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance whether:
  - a. we have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at 31<sup>st</sup> March, 2022 which was adopted by the Members of the Company at the Annual General Meeting held on 26<sup>th</sup> September, 2022
  - b. the amount of permissible capital payment as stated in Annexure A, has been determined considering the annual audited standalone and consolidated financial statements as at 31<sup>st</sup> March, 2022 in accordance with Section 68(2)(c) of the Act, Regulation 4(i) of the SEBI Buyback Regulations and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations; and
  - c. the Board of Directors of the Company, in their Meeting held on 14<sup>th</sup> November, 2022 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 aforesaid date with regard to the proposed buyback are declared.
6. 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. Within the scope of our work, we performed the following procedures:
  - a. Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2) of the Act;
  - b. Examined authorization for buyback from the Articles of Association of the Company;
  - c. Inquired into the state of affairs of the Company with reference to the audited standalone financial statements for the year ended 31<sup>st</sup> March, 2022;
  - d. Verified the arithmetical accuracy of the amounts mentioned in Annexure A;
  - e. Examined the Board of Directors' declarations for the purpose of buyback and solvency of the Company; and
  - f. Obtained appropriate representations from the Management of the Company.
7. The audited standalone and consolidated financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by M/s. Dhiraj & Dheeraj, on which they have issued an unmodified audit opinion vide their report dated 27<sup>th</sup> May, 2022. As stated in the Auditors Report, the audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards also require that auditors plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We have relied on the Report issued by M/s. Dhiraj & Dheeraj.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. 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.

9. 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.

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

#### **Opinion**

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

- a. We have inquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022, which have been approved by the Board of Directors at board meeting and Members of the Company at the Annual General Meeting held on 27<sup>th</sup> May, 2022 and on 26<sup>th</sup> September, 2022 respectively. The amount of permissible capital payment (including premium) towards the proposed buy back 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, Regulation 4(i) of the SEBI Buyback Regulations and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations.
- b. The Board of Directors of the Company, in their meeting held on 14<sup>th</sup> November, 2022 has formed opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds 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 date of passing the Board Resolution dated 14<sup>th</sup> November, 2022.

#### **Restriction on use**

12. 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 2 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 sent to the shareholders of the Company or 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 in India and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) can be shared with the merchant banker(s) involved in connection with the proposed buyback of equity shares of the Company for onward submission to SEBI, stock exchanges and / or any other regulatory authority as required under the law in India, 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 M. L. SHARMA & CO.  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 109963W**

**Sd/-  
(VIKAS L. BAJAJ)  
PARTNER  
Membership No.104982  
UDIN – 22104982BDBWMD6796**

**Place of Signature: Mumbai  
Date : 14th November 2022**

**Annexure A – Statement of permissible capital payment (including premium)**

Computation of amount of permissible capital payment (including premium) towards buyback of equity shares of Technocraft Industries (India) Limited in accordance with proviso to Section 68(2) of the Companies Act, 2013 (the “Act”) and Regulation 4(i) and proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations (the “Statement”):

Particulars as on 31 <sup>st</sup> March, 2022		Amount (Rs. in crores)	
		Amount extracted from the latest audited standalone financial statements as at 31 <sup>st</sup> March, 2022	Amount extracted from the Latest audited consolidated financial statements as at 31 <sup>st</sup> March, 2022
Paid up Equity Share Capital (2,44,61,687 shares of Rs. 10/- each)	A	24.46	24.46
<b>Free Reserves:</b>			
Profit and loss account balance		1,018.81	1,166.66
Securities Premium		0.00	459.12
General reserve		121.57	136.32
Total Free Reserves	B	1,140.38	1,762.10
<b>Total paid up capital and free reserves</b>	<b>C=A+B</b>	<b>1,164.84</b>	<b>1,786.56</b>
Maximum amount permissible under the Act/ Buyback Regulations with Shareholder approval:-25% of total paid-up equity capital and free reserves,	C*25%	291.21	446.64
Maximum amount permissible under the Act/ Buyback Regulations with Board approval:-10% of total paid-up equity capital and free reserves.	C*10%	116.48	178.66

Note: Maximum amount permissible under the Act/ SEBI Buyback Regulations shall be the lower of the standalone and the consolidated financial statements as at March 31, 2022.

**For and on behalf of Board of Directors  
Technocraft Industries (India) Limited**

Sd/-  
**Ashish Kumar Saraf**  
Chief Financial Officer and Whole-time Director  
DIN: 00035549

**Date: November 14, 2022**

**Place: Mumbai**

*Unquote*

**26. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the Registered Office of the Company Plot No. 47, “Opus Centre”, Second floor, Central Road, Opposite Tunga Paradise Hotel, MIDC, Andheri (East), Mumbai - 400093, Maharashtra, India between 10.00 a.m. and 5.00 p.m. on any day, except Saturday, Sunday and public holidays, and on the website of the Company ([www.technocraftgroup.com](http://www.technocraftgroup.com)) in accordance with the SEBI Buyback Regulations, Relaxation Circular and such other circulars, or notification, as may be applicable, during the Tendering Period:



- Copy of Certificate of Incorporation of the Company;
- Memorandum and Articles of Association of the Company;
- Copy of the audited standalone and consolidated financial statements of the Company for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020;
- Copy of the Annual reports of the Company for the years ended March 31, 2022, March 31, 2021 and March 31, 2020;
- Resolution passed by the Board of Directors at the meeting held on November 14, 2022 approving the proposal for Buyback;
- Copy of Report dated November 14, 2022 received from M. L. Sharma & Co., Chartered Accountants, the Statutory Auditor of the Company, in terms of clause (xi) of Schedule I to the SEBI Buyback Regulations;
- Copy of Declaration of solvency and an affidavit verifying the same in Form SH-9, as prescribed under Section 68(6) of the Companies Act;
- Copy of Escrow Agreement dated December 20, 2022 entered into amongst the Company, the Manager to the Buyback and the Escrow Agent;
- Copy of the certificate from Ms. Sweta Sonthalia, Chartered Accountant, dated December 09, 2022 certifying that the Company has adequate funds for the purposes of Buyback;
- Copy of Public Announcement for Buyback dated December 19, 2022, published in newspapers on December 20, 2022 regarding Buyback of the Equity Shares; and
- Opinion dated December 09, 2022 obtained by the Company from Ms. Sweta Sonthalia, Chartered Accountant, Chartered Accountants, on taxation;
- Observations from SEBI on the Draft Letter of Offer issued vide their letter no. [●] dated [●].

## 27. DETAILS OF COMPLIANCE OFFICER

The Company has appointed Mr. Neeraj Rai, Company Secretary as the compliance officer for the purpose of the Buyback (“**Compliance Officer**”). Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, on all working days except Saturday, Sunday and public holidays during office hours i.e., 10:00 a.m. to 5:00 p.m.:

### **Mr. Neeraj Rai**

Company Secretary

Membership No. F6858

### **Technocraft Industries (India) Limited**

Plot No. 47, “Opus Centre”,

Second floor, Central Road,

Opposite Tunga Paradise Hotel, MIDC,

Andheri (East), Mumbai - 400093,

Maharashtra, India.

**Telephone:** +91-4098 2222/2340; **Fax:** 2835 6559;

**Email:** investor@technocraftgroup.com; **Website:** [www.technocraftgroup.com](http://www.technocraftgroup.com).

## 28. DETAILS OF THE REMEDIES AVAILABLE TO ELIGIBLE SHAREHOLDERS/BENEFICIAL OWNERS

- a) In case of any grievances relating to the Buyback (including non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach either of the Compliance Officer, Manager to the Buyback, Registrar to the Buyback for redressal thereof.

b) If the Company makes any default in complying with Sections 68, 69, 70 of the Companies Act including the rules thereunder, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as applicable.

c) The address of the concerned office of the Registrar of Companies is as follows:

**The Registrar of Companies**

100, Everest, Marine Drive,  
Mumbai- 400002, Maharashtra, India.

**29. INVESTOR SERVICE CENTRE AND REGISTRAR TO BUYBACK**

In case of any query, the shareholders may contact to Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company, appointed as the Investor Service Centre for the purposes of the Buyback, on any day except Saturday and Sunday and public holiday between 9.30 a.m. and 5.30 p.m. at the following address:



**Link Intime India Private Limited**

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli  
(West) Mumbai – 400083, Maharashtra, India

**Telephone:** +91 810 811 4949

**Fax:** +91-22-4918 6195

**Email:** [technocraft.buyback@linkintime.co.in](mailto:technocraft.buyback@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration Number:** INR000004058

**Validity Period:** Permanent

**30. MANAGER TO THE BUYBACK**

The Company has appointed the following as Manager to the Buyback:



**Systematix Corporate Services Limited**

The Capital, A-Wing, 6th Floor, No. 603-606,  
Plot No. C-70, G-Block, Bandra-Kurla Complex (BKC),  
Bandra (East), Mumbai 400 051, Maharashtra, India

**Telephone:** +91-22-6704 8000

**Fax:** +91-22-6704 8022

**Contact Person:** Ms. Jinal Sanghvi

**Email:** [ecm@systematixgroup.in](mailto:ecm@systematixgroup.in)

**Website:** [www.systematixgroup.in](http://www.systematixgroup.in)

**SEBI Registration Number:** INM000004224

**Validity Period:** Permanent

**31. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE DRAFT LETTER OF OFFER**

As per Regulation 24(i)(a) of the SEBI Buyback Regulations, the Board of Directors accepts full responsibility for the information contained in this Draft Letter of Offer and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will

not contain any misleading information. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on November 14, 2022.

**For and on behalf of the Board of Directors of Technocraft Industries (India) Limited**

**Sd/-**  
**Sharad Kumar Saraf**  
**Chairman & Managing Director**  
**DIN: 00035843**

**Sd/-**  
**Sudarshan Kumar Saraf**  
**Co-Chairman & Managing Director**  
**DIN: 00035799**

**Sd/-**  
**Neeraj Rai**  
**Company Secretary**  
**Membership No. F6858**

**Date:** December 27, 2022

**Place:** Mumbai.

**32. TENDER FORMS**

- 32.1 Tender Form (for Eligible Shareholders holding Equity Shares in dematerialized form) – **Annexure I**
- 32.2 Tender Form (for Eligible Shareholders holding Equity Shares in physical form) – **Annexure II**
- 32.3 Form No. SH-4 – Securities Transfer Form – **Annexure III**

## ANNEXURE I – TENDER FORM ELIGIBLE SHAREHOLDERS HOLDING DEMAT SHARES

## FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Bid Number:

Date:

BUY-BACK OPENS:		[•], 2022	
BUY-BACK CLOSES ON:		[•], 2022	
<b>For Registrar use</b>			
<b>Inward No.</b>	<b>Date</b>	<b>Stamp</b>	
<b>Status (please tick appropriate box)</b>			
<input type="checkbox"/>	Individual	<input type="checkbox"/>	FII
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank/ FI
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/LLP
<input type="checkbox"/>		<input type="checkbox"/>	Insurance Co.
<input type="checkbox"/>		<input type="checkbox"/>	FVCI
<input type="checkbox"/>		<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>		<input type="checkbox"/>	Others (specify)
<b>India Tax Residency Status: Please tick appropriate box</b>			
<input type="checkbox"/>	<b>Resident in India</b>	<input type="checkbox"/>	<b>Non-Resident in India</b>
<input type="checkbox"/>		<input type="checkbox"/>	<b>Resident of _____ (Shareholder to fill the country of residence)</b>
<b>Route of Investment (For NR Shareholders only)</b>			
<input type="checkbox"/>	<b>Portfolio Investment Scheme</b>		<input type="checkbox"/>
<input type="checkbox"/>			<b>Foreign Investment Scheme</b>

To,  
The Board of Directors  
**Technocraft Industries (India) Limited**  
C/o Link Intime India Private Limited  
C-101, 1st Floor, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400083

Dear Sir/ Madam,

**Sub: Letter of Offer dated [•], 2022 to Buyback up to 15,00,000 Equity Shares of Technocraft Industries (India) Limited (the “Company”) at a price of Rs 1,000/- (Rupees One Thousand only) per Equity Share (the “Buyback Offer Price”) payable in cash**

- I / We having read and understood the Letter of Offer dated [•] issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the Buyback Price only after due verification of the validity of documents and that the consideration will be paid as per the Stock Exchange mechanism.
- I / We agree to receive, at my own risk, the invalid / unaccepted Equity Shares under the Buyback in the demat a/c from where I / we have tendered the Equity Shares in the Buyback.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, SEBI Buyback Regulations and any other applicable laws.
- I / We acknowledge that the responsibility to discharge the tax due on any gains arising on buyback is on me/us. I/We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me/us on buyback of shares. I/We also undertake to provide the Company, the relevant details in respect of the taxability/non-taxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act 2013 and the rules made thereunder and SEBI Buyback Regulations and any other applicable laws.
- Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (December 30, 2022)		
Number of Equity Shared Entitled for Buy-back(Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)		

**Note:** An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 22 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along this line-----

**ACKNOWLEDGMENT SLIP: TECHNOCRAFT INDUSTRIES (INDIA) LIMITED BUYBACK OFFER 2022**

*(To be filled by the Equity Shareholder) (Subject to verification)*

DP ID		Client ID	
Received from Mr./Ms./Mrs.			
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>			
No. of Equity Shares offered for Buyback (In Figures)		(in words)	
Please quote Client ID No. & DP ID No. for all future correspondence			Stamp of Broker

13. Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Technocraft Industries (India) Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the SEBI Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

14. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CSDL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

15. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of the Holder				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

\*Corporate must affix rubber stamp and sign

16. Applicable for all Non-resident shareholders.

- I / We undertake to pay income taxes in India on any income arising on such Buyback accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us.
- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

**Instructions:**

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

- This Offer will open on [●], 2022 and close on [●], 2022.
- This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Shareholders who desire to tender their equity shares in the dematerialized form under the Buyback would have to do so through their respective Shareholder's Broker by indicating the details of equity shares they intend to tender under the Buyback. Further details, please see the procedure as specified in the section entitled "Procedure for Tender Offer and Settlement" on paragraph 22 of the Letter of Offer.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents:
  - Approval from the appropriate authority for such merger;
  - The scheme of merger; and
  - The requisite form filed with MCA intimating the merger.
- The Buyback shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.**
- The Equity Shares tendered in the Offer shall be rejected if (i) the Equity Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or (ii) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in demat form; or (iii) if there is a name mismatch in the demat account of the Eligible Shareholder and PAN. The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as may be decided by the Company / Registrar to the Buyback, in accordance with the SEBI Buyback Regulations.
- Eligible Shareholders to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
- All documents sent by Eligible Shareholders / custodians will be at their own risk. Eligible Shareholders are advised to safeguard adequately their

- interests in this regard.
9. By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
  10. Eligible Sellers have to fill up the EVENT number issued by Depository in the column for settlement details along with the market type as "Buyback", ISIN, Quantity of shares and CM BP ID of broker and execution date in the Delivery Instruction Slips (DIS) so that Equity Shares can be tendered for Buyback Offer.
  11. For the procedure to be followed by Eligible Shareholders for tendering Equity Shares in the Buyback, please refer to paragraph 22 of the Letter of Offer
  12. In the event of non-receipt of the Letter of Offer by an Eligible Shareholder, the Eligible Shareholder holding Equity Shares may participate in the Buyback by providing their application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.
  13. **For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.**

*All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.*

-----Tear along this line-----

**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR  
TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Investor Service Centre:**

**TECHNOCRAFT INDUSTRIES (INDIA) LIMITED BUYBACK OFFER 2022**

**Link Intime India Private Limited**

**C-101, 1st Floor, 247 Park, L.B.S. Marg,**

**Vikhroli (West), Mumbai - 400 083**

**Tel No.:** +91 22 4918 6200; **Fax No.:** +91 22 4918 6195; **Website:** www.linkintime.co.in

**Email:** technocraft.buyback@linkintime.co.in;

**Investor grievance e-mail:** technocraft.buyback@linkintime.co.in

**Contact Person:** Sumeet Deshpande

**SEBI Registration No.:** INR000004058

## ANNEXURE II – TENDER FORM FOR ELIGIBLE SHAREHOLDERS HOLDING PHYSICAL SHARES

## FORM OF ACCEPTANCE-CUM ACKNOWLEDGEMENT

Bid Number:

Date:

BUY-BACK OPENS:		[●], 2022	
BUY-BACK CLOSSES ON:		[●], 2022	
<b>For Registrar use</b>			
Inward No.		Date	Stamp
<b>Status (please tick appropriate box)</b>			
<input type="checkbox"/>	Individual	<input type="checkbox"/>	FII
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank/ FI
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/LLP
<input type="checkbox"/>		<input type="checkbox"/>	Insurance Co.
<input type="checkbox"/>		<input type="checkbox"/>	FVCI
<input type="checkbox"/>		<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>		<input type="checkbox"/>	Others (specify)
<b>India Tax Residency Status: Please tick appropriate box</b>			
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India
<input type="checkbox"/>		<input type="checkbox"/>	Resident of _____ (Shareholder to fill the country of residence)
<b>Route of Investment (For NR Shareholders only)</b>			
<input type="checkbox"/>	Portfolio Investment Scheme		<input type="checkbox"/>
<input type="checkbox"/>			Foreign Investment Scheme

To,  
The Board of Directors  
**Technocraft Industries (India) Limited**  
C/o Link Intime India Private Limited  
C-101, 1st Floor, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400083

Dear Sir/ Madam,

**Sub: Letter of Offer dated [●], 2022 to Buyback up to 15,00,000 Equity Shares of Technocraft Industries (India) Limited (the “Company”) at a price of Rs 1,000/- (Rupees One Thousand only) per Equity Share (the “Buyback Offer Price”) payable in cash**

- I / We having read and understood the Letter of Offer dated [●] issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Shareholder Broker as per secondary market mechanism.
- I / We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
- I / We agree that the Company will pay the Buyback Price only after due verification of the validity of documents and that the consideration will be paid as per the Stock Exchange mechanism.
- I / We authorize the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback
- I / We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, SEBI Buyback Regulations and any other applicable laws.
- Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (December 30, 2022)		
Number of Equity Shared Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)		

**Note:** An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 22 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along this line-----

**ACKNOWLEDGMENT SLIP: TECHNOCRAFT INDUSTRIES (INDIA) LIMITED BUYBACK OFFER 2022**  
(To be filled by the Equity Shareholder) (Subject to verification)

Folio No.			
Received from Mr./Ms./Mrs.			
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>			
No. of Equity Shares offered for Buyback (In Figures)		(in words)	
Please quote Folio No. for all future correspondence			Stamp of Broker

14. Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Technocraft Industries (India) Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the SEBI Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

15. Details of Share Certificates enclosed: \_\_\_\_\_ Total no. of Share Certificates submitted \_\_\_\_\_

Sr. No.	Folio No.	Share Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
1					
2					
<b>Total</b>					

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

16. Details of the bank account of the sole or first Eligible Shareholder to be incorporated in the consideration warrant (to be mandatorily filled)::

Name of the Bank	Branch and City	IFSC and MICR Code	Account Number (indicate type of account)

17. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

Power of Attorney		Corporate Authorization
Succession Certificate		Permanent Account Number (PAN Card)
Self-attested copy of Permanent Account Number (PAN Card)		TRS
Others (please specify)		Others (please specify)

18. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of the Holder				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

\* Corporate shareholders must affix rubber stamp and sign under valid authority. The relevant corporate authorisation should be enclosed with the application form submitted.

19. Applicable for all Non-resident shareholders.

- I / We undertake to pay income taxes in India on any income arising on such Buyback accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us.
- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

**Instructions:**

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

- This Offer will open on [●], 2022 and close on [●], 2022.
- This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buyback should submit the following documents to their Shareholder Broker. The Eligible Shareholders / Shareholder Broker in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar; the documents should be sent to the Registrar only after the placement of a valid bid; non-submission of the below mentioned documents by 5:00 p.m. on [●] directly to the Registrar shall result in the rejection of the tendered Equity Shares: (i) the Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) original share certificates; (iii) valid share transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen



- signatures registered with the Company/Registrar) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company; (iv) self-attested copy of the Shareholder's PAN Card; (v) any other relevant documents such as (but not limited to) (a) duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form; (b) notarized copy of death certificate and succession certificate or probated will, as applicable, if the original Shareholder has deceased; and (c) necessary corporate authorisations, such as board resolutions etc., in case of companies; (vi) In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
4. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback on or before Buyback Closing Date i.e. [●] by 5:00 p.m alongwith the documents mentioned in the Tender Form..
  5. For procedure followed by Eligible Shareholders for tendering shares in the buyback, please refer to Paragraph 22 of the Letter of Offer.
  6. Eligible Shareholders should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar & transfer Agent of the Company, if any person other than the Eligible Seller has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Seller is deceased; and (iii) Necessary corporate authorizations, such as Board Resolutions etc., in case of companies.
  7. All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others: (a) If any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company; (b) non submission of Notarized copy of death certificate and succession certificate / probated/Will, as applicable in case any Eligible Shareholder has deceased; (c) if the Eligible Shareholder(s) tender the Equity Shares but the Registrar does not receive the share certificate; (d) in case the signature on the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar; (e) if necessary corporate authorizations under official stamp are not accompanied with tender form; (f) if the transmission of the Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or (g) the Form SH-4 is not witnessed.
  8. All documents sent by the seller member/ custodian will be at their own risk and the seller member/ custodian is advised to adequately safeguard their interests in this regard. For the procedure to be followed by Equity Shareholders for tendering in the Buyback Offer, please refer to Paragraph 22 of the Letter of Offer.
  9. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

*All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.*

-----Tear along this line-----

**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Investor Service Centre:**

**TECHNOCRAFT INDUSTRIES (INDIA) LIMITED BUYBACK OFFER 2022**

**Link Intime India Private Limited**

**C-101, 1st Floor, 247 Park, L.B.S. Marg,**

**Vikhroli (West), Mumbai - 400 083**

**Tel No.:** +91 22 4918 6200; **Fax No.:** +91 22 4918 6195; **Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Email:** [technocraft.buyback@linkintime.co.in](mailto:technocraft.buyback@linkintime.co.in);

**Investor grievance e-mail:** [technocraft.buyback@linkintime.co.in](mailto:technocraft.buyback@linkintime.co.in)

**Contact Person:** Sumeet Deshpande

**SEBI Registration No.:** INR000004058

**Annexure III - Form No. SH-4**  
**Securities Transfer Form**  
Pursuant to section 56 of the Companies act, 2013 and sub-rule (1) of rule 11 of the  
Companies (Share Capital and Debentures) Rules 2014

**Date of execution**.....

FOR THE CONSIDERATION stated below the "Transferor(s)" named do hereby transfer to the "Transferee(s)" named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

**CIN:** L28120MH1992PLC069252  
**Name of the company (in full):** Technocraft Industries (India) Limited  
**Name of the Stock Exchange where the company is listed, if any:** National Stock Exchange of India Limited and BSE Limited

**DESCRIPTION OF SECURITIES:**

Kind/Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Shares	Rs 10/-	Rs 10/-	Rs 10/-

No. of Securities being Transferred		Consideration Received (Rs)	
In figures	In words	In words	In figures

Distinctive Number	From			
	To			
Corresponding Certificate Nos:				

**TRANSFEROR' S PARTICULARS**

Registered Folio Number	
Name(s) in full	Seller Signature (s)
1.	
2.	
3.	
I, hereby confirm that the Transferor has signed before me.	Witness Signature
Name and Address of Witness	

**TRANSFEEE' S PARTICULARS**

Name in full (1)	Father's/ Mother's / Spouse Name (2)	Address & E-mail id (3)
<b>Technocraft Industries (India) Limited</b>	N.A.	<b>Address:</b> Plot No. 47, "Opus Centre", Second Floor, Central Road, Opposite Tunga Paradise Hotel, MIDC, Andheri (East), Mumbai 400 093, India. <b>E-mail:</b> investor@technocraftgroup.com
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
Business		

Folio No. of Transferee: \_\_\_\_\_

Specimen Signature of Transferee

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Value of stamp affixed: \_\_\_\_\_ (Rs.)

Enclosures:

- (1) Certificate of shares or debentures or other securities
- (2) If no certificate is issued, letter of allotment.
- (3) Copy of PAN Card of all the Transferees (For all listed Cos.)
- (4) Other, Specify.....

Stamps:

Declaration:

- Transferee is not required to obtain the Government approval under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 prior to transfer of shares;
- Or
- Transferee is required to obtain the Government approval under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.

**For office use only**

Checked by \_\_\_\_\_

Signature tallies by \_\_\_\_\_

Entered in the Register of Transfer on \_\_\_\_\_ vide Transfer No. \_\_\_\_\_

Approval Date \_\_\_\_\_

Power of attorney/Probate/Death Certificate/Letter of administration

Registered on \_\_\_\_\_ at \_\_\_\_\_

No. \_\_\_\_\_