

नालको NALCO

एनबीसी/एस/4.5 एवं 4.5(ए)/2021/221
दिनांक: 05.02.2021

NBC/S/4.5 & 4.5(A)/2021/221
Date: 05.02.2021

The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra NSE Code: NATIONALUM	The Manager Department of Corporate Services BSE Limited 25 th Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001, Maharashtra BSE Code: 532234
---	---

Dear Sir/Madam,

Subject: Submission of the Draft Letter of Offer pertaining to the proposed buy-back offer not exceeding 13,02,79,083 fully paid up equity shares of face value Rs. 5/- each ("Equity Shares") of National Aluminium Company Limited ("Company") at a price of Rs.57.50 per Equity Share for an aggregate consideration not exceeding of Rs.749,10,47,273/- ("Offer Size") through the tender offer process pursuant to the provisions of Regulation 8(i) of SEBI (Buy-Back of Securities) Regulations, 2018, as amended.


The Company is undertaking a Buyback, in accordance with the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, ("Buyback Regulations"), and other applicable laws, if any.

In this regard, please find enclosed the soft copy (pdf version) of the Draft Letter of offer dated 4th February, 2021 of the Company, filed with SEBI on 5th February, 2021, in relation to the Buyback Offer ("**Draft Letter of Offer**"), as **Annexure-1**, for your information and records.

All terms used herein and not specifically defined shall have the same meaning as ascribed to such terms under the Draft Letter of Offer.

Thanking you,

भवदीय/Yours faithfully,
कृते नेशनल एल्यूमिनियम कंपनी लिमिटेड
for National Aluminium Co. Ltd.


(एन.के. महान्ति)
(N.K. Mohanty)

महाप्रबंधक एवं कंपनी सचिव और अनुपालन अधिकारी
GM & Company Secretary and Compliance Officer

नेशनल एल्यूमिनियम कम्पनी लिमिटेड
(भारत सरकार का उद्यम)

निगम कार्यालय

नालको भवन, नयापल्ली, भुवनेश्वर - 751 013 भारत

CIN # L27203OR1981GOI000920

Tel.:0674-2301988-999,Fax:0674-2300677,Email:company_secretary@nalcoindia.co.in,Website:www.nalcoindia.com

National Aluminium Company Limited
(A Government of India Enterprise)

REGD. & CORPORATE OFFICE

NALCO Bhawan, Plot No.P/1, Nayapalli, Bhubaneswar-751013, India

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you, being an Eligible Shareholder(s) (*as defined hereinafter*) of National Aluminium Company Limited (the “**Company**”) as on the Record Date (*as defined hereinafter*) in accordance with the provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, (the “**Buyback Regulations**”). If you require any clarifications about the action to be taken, you may consult your stockbroker or your investment consultant or the Manager to the Buyback i.e. IDBI Capital Markets & Securities Limited or the Registrar to the Buyback i.e. KFin Technologies Pvt. Ltd. Please refer to the section on ‘Definition of Key Terms’ for the definition of the capitalized terms used herein.



NATIONAL ALUMINIUM COMPANY LIMITED

(A Government of India Enterprise)

Registered Office: Nalco Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar -751013, Odisha, India**Corporate Identification Number (CIN):** L27203OR1981GOI000920**Contact Person:** Mr. Nayan Kumar Mohanty, GM & Company Secretary and Compliance Officer**Telfax:** +91 (0674) 2300 677 | **E-mail:** company_secretary@nalcoindia.co.in | **Website:** www.nalcoindia.com

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 13,02,79,083 (THIRTEEN CRORE TWO LAKH SEVENTY NINE THOUSAND EIGHTY THREE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE RS.5/-EACH, REPRESENTING 6.98% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EXISTING SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. MONDAY, FEBRUARY 8, 2021 ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” PROCESS AT A PRICE OF Rs. 57.50 (RUPEES FIFTY SEVEN AND FIFTY PAISE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING Rs. 749,10,47,273/- (RUPEES SEVEN HUNDRED FORTY NINE CRORE TEN LAKH FORTY SEVEN THOUSAND TWO HUNDRED SEVENTY THREE ONLY).

- 1) The Buyback is in accordance with the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended to the extent applicable and in accordance with Article 29A of the Articles of Association of the Company and in accordance with Regulation 4(iv)(a) and other applicable provisions contained in the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, the Stock Exchanges and Reserve Bank of India etc.
- 2) The Buyback Offer Size which is not exceeding Rs. 749,10,47,273/- (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three Only) represents 7.83% and 7.83% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020 (i.e. the last audited standalone and consolidated financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited standalone and consolidated financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013.
- 3) The Letter of Offer will be sent to the Eligible Shareholders as on the Record Date i.e. Monday, February 08, 2021 in accordance with Buy back Regulations and such circulars and notifications as may be applicable.
- 4) The procedure for acceptance is set out in paragraph 20 (*Procedure for Tender Offer and Settlement*) on page 33, of this Draft Letter of Offer. The Tender Form is enclosed together with this Draft Letter of Offer.
- 5) For mode of payment of cash consideration to the Eligible Shareholders, please refer to paragraph 20.30 (*Method of Settlement*) on page 40 of this Draft Letter of Offer.
- 6) A copy of the Public Announcement published on Friday, January 29, 2021, and this Draft Letter of Offer (including Tender Form) is available on the website of the Company - www.nalcoindia.com and is also expected to be made available on the website of SEBI - <http://www.sebi.gov.in>.
- 7) Eligible Shareholders are advised to refer to paragraph 17 (*Details of Statutory Approvals*) on page 29 of this Draft Letter of Offer and paragraph 21 (*Note on Taxation*) on page 42 of this Draft Letter of Offer before tendering their Equity Shares in the Buyback.

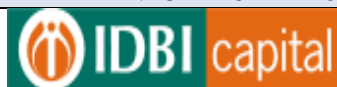
BUYBACK OPENS ON: [●], 2021**BUYBACK CLOSES ON: [●], 2021****(LAST DATE/TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR: [●], 2021, BY 5.00 P.M.****MANAGER TO THE BUYBACK OFFER****REGISTRAR TO THE BUYBACK OFFER****IDBI Capital Markets & Securities Limited**6th floor, IDBI Tower,
WTC Complex, Cuffe Parade,
Mumbai 400 005**Tel No.:** +91 (22) 2217 1700;**Fax No.:** +91 (22) 2215 1787;**Contact Person:** Mr. Sumit Singh**Email:** nalco.buyback2021@idbicapital.com;**Website:** www.idbicapital.com**SEBI Registration Number:** INM000010866;**Validity Period:** Permanent**CIN:** U65990MH1993GOI075578**KFin Technologies Pvt. Ltd.**Selenium, Tower B, Plot No-31 and 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad,
Rangareddi - 500 032, Telangana, India**Tel No:** +91 40 6716 2222**Fax:** +91 40 2343 1551; **Toll free number:** 18003454001**Contact Person:** Mr. M. Murali Krishna**Email:** nalco.buyback2021@kfintech.com;**Website:** www.kfintech.com**SEBI Registration Number :** INR000000221**Validity Period:** Permanent**CIN:** U72400TG2017PTC117649

TABLE OF CONTENTS

1.	SCHEDULE OF THE ACTIVITIES FOR THE BUYBACK OFFER.....	3
2.	DEFINITION OF KEY TERMS	3
3.	DISCLAIMER CLAUSE.....	6
4.	TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING	7
5.	DETAILS OF PUBLIC ANNOUNCEMENT	12
6.	DETAILS OF THE BUYBACK	12
7.	AUTHORITY FOR THE BUYBACK	13
8.	NECESSITY OF THE BUYBACK.....	14
9.	MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF BUYBACK ON THE COMPANY	14
10.	BASIS OF CALCULATING BUYBACK PRICE	16
11.	SOURCES OF FUNDS FOR THE BUYBACK	17
12.	DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN	17
13.	CAPITAL STRUCTURE AND SHAREHOLDING PATTERN	18
14.	BRIEF INFORMATION ABOUT THE COMPANY	19
15.	FINANCIAL INFORMATION ABOUT THE COMPANY	24
16.	STOCK MARKET DATA	27
17.	DETAILS OF STATUTORY APPROVALS	29
18.	DETAILS OF REGISTRAR TO THE BUYBACK OFFER	29
19.	PROCESS AND METHODOLOGY FOR THE BUYBACK.....	30
20.	PROCEDURE FOR TENDER OFFER AND SETTLEMENT	33
21.	NOTE ON TAXATION	42
22.	DECLARATION BY THE BOARD OF DIRECTORS	44
23.	AUDITORS CERTIFICATE.....	45
24.	DOCUMENTS FOR INSPECTION.....	46
25.	CONTACT DETAILS OF COMPLIANCE OFFICER.....	47
26.	DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS	47
27.	DETAILS OF INVESTOR SERVICE CENTRES	47
28.	MANAGER TO THE BUYBACK OFFER	48
29.	DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE DRAFT LETTER OF OFFER	48

1. SCHEDULE OF THE ACTIVITIES FOR THE BUYBACK OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal of the Buyback	January 27, 2021	Wednesday
Date of Public Announcement for Buyback	January 28, 2021	Thursday
Date of publication of the Public Announcement for the Buyback	January 29, 2021	Friday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	February 08, 2021	Monday
Date of Opening of the Buyback Offer	[●]	[●]
Date of Closing of the Buyback Offer	[●]	[●]
Last date of receipt of the completed Tender Forms and other specified documents including physical Equity Share certificates by the Registrar	[●]	[●]
Last date of verification of Tender Forms by the Registrar	[●]	[●]
Last date of intimation regarding acceptance / non- acceptance of tendered Equity Shares by the Registrar	[●]	[●]
Last date of settlement of bids on the Stock Exchange	[●]	[●]
Last date of dispatch of share certificate(s) by RTA/ payment to shareholders/ return of unaccepted demat shares by Stock Exchange to Shareholder Broker/ Eligible Shareholders	[●]	[●]
Last date of extinguishment of Equity Shares	[●]	[●]

2. DEFINITION 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, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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 Buyback Regulations, the Companies Act, 2013, the Depositories Act, 1996 and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares, tendered by Eligible Shareholders in the Buyback Offer
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Equity Shareholder up to the Eligible Equity Shares
Articles/ AOA	Articles of Association of the Company, as amended.
Board Meeting	Meeting of the Board of Directors held on January 27, 2021, approving the proposal for the Buyback Offer
Board/ Board of Directors/ Director(s)	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)
BSE	BSE Limited
Buyback/ Buyback Offer/ Offer/ Buyback Offer Size	Buyback of not exceeding 13,02,79,083 (Thirteen Crore Two Lakh Seventy Nine Thousand Eighty Three) Equity Shares at a price of Rs 57.50 (Rupees Fifty Seven and Fifty Paise Only) per Equity Share for an aggregate consideration not exceeding Rs.749,10,47,273/- (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three Only), on a proportionate basis, from the Eligible Shareholders, as on Record Date by way of a tender offer through the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars
Buyback Committee/Committee	The Buyback Committee of the Board constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated January 27, 2021.
Buyback Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by such Eligible Shareholder on the Record Date and the ratio/percentage of Buyback

Term	Description
	applicable in the category to which such Eligible Shareholder belongs
Buyback Closing Date	[●], 2021
Buyback Opening Date	[●], 2021
Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation / NCL	NSE Clearing Limited
Company/NALCO/ “we”/ “Our”	National Aluminium Company Limited, unless the context states otherwise.
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable)
Companies Act, 2013	The Companies Act, 2013, as amended
Company’s Broker	IDBI Capital Markets & Securities Limited
CPSE	Central Public Sector Enterprises
Demat Share(s)	Equity Share(s) of the Company in dematerialised form
Depositories	Collectively, NSDL and CDSL
Designated Stock Exchange/ Stock Exchange	The designated stock exchange for the Buyback, being, NSE
DIN	Director Identification Number
Draft Letter of Offer/ Offer Document/ DLoF	This draft letter of offer dated February 04, 2021 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Eligible Equity Shares	Eligible Equity Shares means the lower of: (i) Total number of Equity Shares held by an Eligible Shareholder as on the Record Date; or (ii) Total number of Equity Shares tendered by an Eligible Shareholder.
Equity Shares/ Shares	Fully paid-up equity shares of face value Rs.5/- each of the Company
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company and includes beneficial owner(s) thereof
Eligible Shareholder(s)	All shareholders / beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. Monday, February 08, 2021.
Escrow Account	The escrow account titled “[●]” opened with the Escrow Agent in terms of the Escrow Agreement
Escrow Agent	ICICI Bank Limited
Escrow Agreement	The escrow agreement dated [●] entered into between the Company, Escrow Agent and the IDBI Capital Markets & Securities Limited
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
Form / Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders to participate in the Buyback
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with the SEBI
GoI	Government of India
HUF	Hindu Undivided Family
Income Tax Act	The Income Tax Act, 1961, as amended
Letter of Offer	Letter of Offer dated [●] to be filed with SEBI containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer
LTCG	Long-term Capital Gains
Ltd.	Limited
Manager / Manager to the Buyback Offer / IDBI Capital	IDBI Capital Markets & Securities Limited
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FII(s), FPI(s) and erstwhile OCBs
NRE	Non Residents External

Term	Description
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
Offer Period / Tendering Period	Period of 10 working days from the date of opening of the Buyback Offer till its closure (both days inclusive)
Offer Price / Buyback Offer Price/ Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. Rs 57.50 (Rupees Fifty Seven and Fifty Paise Only) per Equity Share, payable in cash
PAN	Permanent Account Number
Physical Shares	Equity Share(s) of the Company in physical form
Promoter/ Promoter Group	The President of India acting through Ministry of Mines, Government of India
Public Announcement / PA	The public announcement, dated January 28, 2021, made in accordance with the Buyback Regulations, published on January 29, 2021, in all editions of the Business Standard (English and Hindi National daily) and Bhubaneswar edition of Karntidhara (in Odia Language being the regional language of wherein the registered office of the Company is located), each with wide circulation
Ratio of Buyback	The ratio of the Buy-back: (i) in case of Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Eligible Shareholder on the Record Date
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date is Monday, February 08, 2021
Registrar to the Buyback Offer/ Registrar	KFin Technologies Pvt. Ltd
SEBI	Securities and Exchange Board of India
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 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including statutory modification thereof.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Shareholder Broker	A stock broker (who is a member of the BSE and/or NSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than two lakh rupees, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. Monday, February 08, 2021
STCG	Short-term Capital Gains
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
Tender Form	Form of Acceptance-cum-Acknowledgement
Tender Offer	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
TRS	Transaction Registration Slip
U.S.	United States
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations

3. DISCLAIMER CLAUSE

As required, a copy of this Draft Letter of Offer has been submitted to Securities and Exchange Board of India (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 Offer, IDBI Capital Markets & Securities 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 and the Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. The Manager to the Buyback Offer, IDBI Capital Markets & Securities Limited has furnished to SEBI a due diligence certificate dated February 04, 2021 in accordance with Buyback Regulations which reads as follows:

“We have examined various documents and materials contained in the annexure to the Draft Letter of Offer, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement dated January 28, 2021 and the Draft Letter of Offer. 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 offer.*
- *All the legal requirements connected with the said Buyback offer including Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, 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 Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer.*
- *Funds used for Buyback shall be as per the provisions of the Companies Act, 2013, as amended”*

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

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

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

Disclaimer for U.S. Persons:

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulations of the US Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Disclaimer for Persons in other foreign countries:

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 does 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 authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. 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. However, receipt of the Letter of Offer by any Shareholders 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 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 applicable legal requirement or restrictions. Any Eligible 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 authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

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 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, 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 we operate.

Currency and Unit of Presentation

In this Draft Letter of Offer, references to "Rs." and "Rupees" are to Indian Rupees i.e. the legal currency of India. Further, all data related to financials are given in Rs. crore, unless otherwise stated.

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on Wednesday, January 27, 2021. The extracts of the minutes of the Board Meeting are as follows:

"RESOLVED THAT pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, and other relevant rules made thereunder, each as amended from time to time (the "**Companies Act**"), and in accordance with Article 29A of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**") and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 as amended (the "**Buy-back Regulations**"), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to such other approvals, permissions, sanctions and exemptions of Securities and Exchange Board of India ("**SEBI**"), Ministry of Corporate Affairs/ Registrar of Companies, Cuttack, Orissa (the "**ROC**") and/ or other authorities, institutions or bodies (the "**Appropriate Authorities**"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the board of directors of the Company (the "**Board of Directors**"/ "**Board**" which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy-back of not exceeding 13,02,79,083 (Thirteen Crore Two Lakh Seventy Nine Thousand Eighty Three) fully paid-up equity shares of face value of Rs.5/- each ("**Equity Share**") (representing **6.98%** of the total number of

fully paid-up Equity Shares in the paid-up share capital of the Company) at a price of **Rs. 57.50 (Rupees Fifty Seven and Fifty Paise only)** per Equity Share (the “**Buy Back Offer Price**”) payable in cash for an aggregate consideration not exceeding **Rs.749,10,47,273 (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three only)** (the “**Buy-back Offer Size**”) (excluding transaction costs viz.brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buy-back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses) being 7.83% & 7.83% of the aggregate of the fully paid-up Equity Share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively, for the financial year ended March 31, 2020 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the buy-back) and is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up Equity Share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act and buy-back Regulations from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the **Tender Offer** route as prescribed under the Buy-back Regulations (hereinafter referred to as the “**Buy-back**”).”

“**RESOLVED FURTHER THAT** the Buy-back Size does not include any expenses incurred or to be incurred for the Buy-back like filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.”

“**RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the Buy-back using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, or such other circulars or notifications, as may be applicable including subsequent amendments or statutory modifications thereof and the Company shall approach the Stock Exchange(s), as may be required, for facilitating the same.”

“**RESOLVED FURTHER THAT** such Buy-back shall be made out of the Company’s free reserves and / or such other sources, and on such terms and conditions as the Board or a duly constituted committee thereof may decide from time to time, as may be permitted by law through “Tender Offer” route and as required by the Buy-back Regulations and the Companies Act, the Company may buy-back Equity Shares from all the existing members holding Equity Shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under the Buy-back Regulations.”

“**RESOLVED FURTHER THAT** confirmation is hereby made by the Board of Directors that:

- i. all Equity Shares of the Company are fully paid-up;
- ii. the Company shall not issue and allot any shares or other specified securities including by way of bonus, till the date of closure of this Buy-back;
- iii. the Company shall not raise further capital for a period of one year from the closure of the Buy-back offer, except in discharge of its subsisting obligations;
- iv. There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking Company;
- v. Company shall not use borrowed funds from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buy-back;
- vi. Company shall not directly or indirectly purchase its Equity Shares:
 - through any subsidiary company including its own subsidiary companies, if any or
 - through any investment company or group of investment companies;
- vii. Company shall not Buy-back the locked-in Equity Shares or other specified securities, if any and non-transferable Equity Shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable;

- viii. the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buy-back, based on standalone and consolidated financial statements of the Company, as prescribed under the Companies Act, 2013 and rules made thereunder and Buy-back Regulations;
- ix. the consideration for the Buy-back shall be paid only by way of cash;
- x. the aggregate amount of the Buy-back i.e **Rs.749,10,47,273 (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three only)** i.e. 7.83% & 7.83% of the total paid-up Equity Share capital and free reserves of the Company is as per the latest audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the Buy-back) and that the maximum number of Equity Shares proposed to be purchased under the Buy-back i.e. 13,02,79,083 (Thirteen Crore Two Lakh Seventy Nine Thousand Eighty Three) Equity Shares does not exceed 25% of the total number of Equity Shares of the paid-up Equity Share Capital of the Company;
- xi. the Buy-back shall not result in delisting of the Equity Shares from the Stock Exchanges;
- xii. the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act, 2013; and
- xiii. there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date.”

“**RESOLVED FURTHER THAT** as required by Clause (x) of Schedule I under Regulation 5 of the Buy-back Regulations, the Board hereby confirms that the Board of Directors has made a full enquiry into the affairs and prospects of the Company and that based on such inquiry, the Board of Directors has formed an opinion that:

- i. immediately following the date of this Board meeting, 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 this Board meeting, 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 total liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- iii. in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities.”

“**RESOLVED FURTHER THAT** the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and Chairman-cum-Managing Director and Director (Finance), in case Director (Finance) is not present/available, any other Director, be and are hereby authorized to finalise and sign the same, for and on behalf of the Board, and Company Secretary be and is hereby authorised to file the same with the ROC and the SEBI.”

“**RESOLVED FURTHER THAT** the Buy-back from shareholders who are persons resident outside India including the Foreign Institutional Investors/Foreign Portfolio Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from Reserve Bank of India under Foreign Exchange Management Act, 1999 as amended and the rules and regulations framed there under, if any.”

“**RESOLVED FURTHER THAT** no information / material likely to have a bearing on the decision of the 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 mis-statement/ misrepresentation, the Board and

the Company shall be liable for penalty in terms of the provisions of the Companies Act and Buy-back Regulations.”

“**RESOLVED FURTHER THAT** for the purpose of coordinating with the Securities and Exchange Board of India (“SEBI”) in terms of the circular bearing number CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time issued by SEBI, approval of the Board be and is hereby accorded to appoint National Stock exchange of India Limited as the Designated Stock Exchange for the proposed Buy-back of the equity shares.”

“**RESOLVED FURTHER THAT** separate demat account and trading account be opened with IDBI Capital Markets & Securities Limited, 6th Floor, IDBI Tower, WTC Complex, Mumbai – 400 005 and any of the Directors and / or Company Secretary be and are hereby jointly and / or severally authorized to open and operate demat account and trading account for the buy-back purpose and do all such acts, things and deeds in respect thereof as may be required in compliance of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.

“**RESOLVED FURTHER THAT** approval of the Board be and is hereby accorded for constitution of a Committee comprising of Chairman-cum-Managing Director, Director (Finance) and Director (Projects & Technical) (“**Buy-back Committee**”) to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buy-back Committee may consider to be in the best interests of the shareholders, including but not limited to:

- i) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buy-back and decide, settle and vary the remuneration for all such intermediaries / agencies/ persons, including by the payment of commission, brokerage, fee, charges etc.;
- ii) to enter into escrow arrangements as may be required in terms of the Buy-back Regulations;
- iii) approving the terms of Buy-back like the entitlement ratio, the schedule of activities for Buy-back including finalizing the date of opening and closing of Buy-back, the timeframe for completion of the Buy-back, acceptances of shares tendered by the shareholders in the Buy-back;
- iv) opening, operation and closure of all necessary accounts including bank accounts, escrow bank account, special escrow bank account, depository accounts (including escrow account), trading account with the Merchant Banker / Broker / Manager to the Buy-back, for the purpose of payment and authorizing persons to operate the said accounts;
- v) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- vi) approving and signing of the Buy-back public announcement, draft letter of offer/ letter of offer;
- vii) deciding the designated stock exchange;
- viii) approving extinguishment of dematerialized shares and physical destruction of share certificates as required under applicable law;
- ix) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buy-back, 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 Buy-back to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities;
- x) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- xi) 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 Buy-back;
- xii) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company;

xiii) 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 Buy-back using the "Mechanism for acquisition of shares through Stock Exchange" 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, including any further amendments thereof; and

xiv) to do all such acts as it may, in its absolute discretion deem necessary, expedient or proper for the implementation of the Buy-back.

The Company Secretary shall act as the Secretary to the Buy-back Committee."

"RESOLVED FURTHER THAT the quorum for any meeting of the Buy-back Committee for implementing the Buy-back shall be presence of any two members and the Buy-back Committee may regulate its own proceedings and meet as often as required, to discharge its functions."

"RESOLVED FURTHER THAT the Buy-back Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any Director/ officer(s) and/ or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegations/ sub-delegation of authority from time to time."

"RESOLVED FURTHER THAT for the purposes of giving effect to this Resolution, the Buy-back Committee be and is hereby authorized to accept and make any alterations, modifications to the terms and conditions as it may deem necessary, concerning any aspect of the Buy-back, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any question, difficulties or doubts that may arise and generally to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, in relation to or in connection with or for matters consequential to the Buy-back without seeking any further consent or approval whatsoever."

"RESOLVED FURTHER THAT the approval of Board be and is hereby accorded for appointment of following intermediaries for the Buy-back offer on single nomination basis:-

- i) **IDBI Capital Markets & Securities Limited** as the **Managers** for the Offer, Broker to the buy-back and few other services at such fee and other terms & conditions as may be decided by the Buy-back Committee.
- ii) **KFin Technologies Pvt. Ltd.** as the **Registrar & Share Transfer Agent and Printer** for the Offer at such fee and other terms & conditions as may be decided by the Buy-back Committee.
- iii) **M/s. Patro & Co. and M/s. GNS & Associates, Statutory Auditors of the Company to carry out the Audit / Certification work** at such fee and other terms & conditions as may be decided by the Buy-back Committee.
- iv) **M/s. National Stock Exchange of India Limited** as the **Designated Stock Exchange** for the Offer at such fee and other terms & conditions as may be decided by the Buy-back Committee.
- v) **ICICI Bank as Escrow Banker** for the Offer at such fee and other terms & conditions as may be decided by the Buy-back Committee.

"RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for fixing Monday, 8th February, 2021 as the Record Date for ascertaining the eligibility of the Shareholders to participate in the Buy-back of Equity Shares of the Company."

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

"RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buy-back Committee to Buy-back any shares and / or impair any power of the Company or the Board or the Buy-back Committee to terminate any process in relation to such Buy-back, if so permissible by Law."

"RESOLVED FURTHER THAT the Company shall maintain a register of shares bought back wherein details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of

cancellation of Equity Shares and date of extinguishing and physically destroying of Equity Shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorized to authenticate the entries made in the said register.”

“**RESOLVED FURTHER THAT** any of the Director and/or the Company Secretary, be and are hereby severally authorized to file necessary e-forms with the Ministry of Corporate Affairs / Registrar of Companies, Cuttack, Odisha and any other statutory authority and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

5. DETAILS OF PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated January 28, 2021 in relation to the Buyback, which was published on January 29, 2021 in the following newspapers. The Public Announcement was issued within two Working Days from the date of the passing of the resolution in the meeting of Board of Directors for the Buyback *i.e.*, January 27, 2021.

Publication	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Krantidhara	Odia	Bhubaneswar Edition

A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in, the website of the Company *i.e.* www.nalcoindia.com and on the Stock Exchanges *i.e.* www.bseindia.com and www.nseindia.com.

6. DETAILS OF THE BUYBACK

The Board of Directors of the Company on January 27, 2021 passed a resolution to buyback Equity Shares of the Company not exceeding 13,02,79,083 (Thirteen Crore Two Lakh Seventy Nine Thousand Eighty Three) fully paid-up Equity Shares of face value Rs. 5/-each from all the existing shareholders / beneficial owners of Equity Shares of the Company as on Record Date, on a proportionate basis, through the “Tender Offer” process, at a price of Rs 57.50 (Rupees Fifty Seven and Fifty Paise Only) per Equity Share payable in cash, for an aggregate consideration not exceeding Rs. 749,10,47,273/- (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three Only).

The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended, and other relevant rules made thereunder, each as amended from time to time (the “**Companies Act**”), and in accordance with Article 29A of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”).

The Buyback is subject to the provisions of the Buyback Regulations and such other approvals, permissions as may be required from time to time from the Stock Exchanges where the Equity Shares of the Company are listed and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken in accordance with SEBI circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the “**SEBI Circulars**”), which prescribes mechanism for acquisition of shares through stock exchange.

The Buyback Offer Size represents 7.83% and 7.83% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively, for the financial year ended March 31, 2020 (the last audited standalone and consolidated financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013. The maximum number of Equity Shares proposed to be bought back represents 6.98% of the total number of Equity Shares in the issued, subscribed and paid-up equity share capital of the Company.

The maximum amount required by the Company for the said Buyback will not exceed Rs. 749,10,47,273/- (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three Only) and is within permitted limits.

The funds for the Buyback will be met out of internally generated cash resources of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The Company confirms that as required under Section 68(2) (d) of the Companies Act, 2013 and Regulation 4(ii) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.

The Buyback shall be on a proportionate basis from all the Equity Shareholders of the Company through the “**Tender Offer**” process, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified in SEBI Circulars.

The Buyback Offer Size does not include any other expenses incurred or to be incurred for the Buyback like brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buy-back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses.

The aggregate shareholding of the Promoter of the Company as on the date of publication of Public Announcement (i.e. January 29, 2021) is as follows:

S. No.	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
1.	President of India acting through Ministry of Mines, Government of India	96,07,93,011	96,07,93,011	51.50%
Total		96,07,93,011	96,07,93,011	51.50%

No shares or other specified securities in the Company were either purchased or sold by the Promoter during a period of six months preceding the date of the Board Meeting at which the Buyback was approved.

In terms of the Buyback Regulations, under the Tender Offer route, the promoter and promoter group of the Company have an option to participate in the Buyback. Pursuant to the proposed Buyback and depending on the response to the Buyback, the shareholding of the Promoter in the Company may increase or decrease from the existing 51.50 % holding in the total paid-up equity share capital of the Company as on date of the Board Meeting i.e. January 27, 2021. In this regard, the President of India acting through Ministry of Mines, Government of India, vide their letter dated January 28, 2021 intends to participate in the Buyback and tender up to such extent that the minimum shareholding of the Promoter post buyback remains at least 51% of the post buyback equity share capital of the Company in compliance with the Buyback Regulations.

Post Buyback, the non-promoter shareholding of the Company shall not fall below minimum level required as per SEBI Listing Regulations.

The Company, in compliance with regulation 4(v) of the Buyback Regulations, is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the stock exchanges.

7. AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions of Article 29A of the Articles of Association of the Company, Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013 as amended, the Companies (Share Capital and Debenture) Rules, 2014 and the provisions contained in the Buyback Regulations.

The Buyback is subject to approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI, BSE and NSE.

The Board of Directors at their meeting on January 27, 2021 passed a resolution approving buyback of Equity Shares of the Company.

8. NECESSITY OF THE BUYBACK

The Buyback would help in optimization of the capital structure and improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value.

Further, the Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

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

9.1 We believe 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 response to the Buyback to the extent of 100%, the funds deployed by the Company towards the Buyback would be Rs. 749,10,47,273 (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three only) excluding the transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buy-back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses. This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.

9.2 We believe the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.

9.3 In terms of the Buyback Regulations, under the Tender Offer route, the promoter and promoter group of the Company have an option to participate in the Buyback. In this regard, the President of India acting through Ministry of Mines, Government of India, vide their letter dated January 28, 2021 intends to participate in the Buyback and tender up to such extent that the minimum shareholding of the Promoter post buyback remains at least 51% of the post buyback equity share capital of the Company in compliance with the Buyback Regulations. The Buyback of Equity Shares will not result in a change in control or otherwise affect the existing management structure of the Company.

9.4 Since the entire shareholding of the Promoter is in the demat mode, the details of the acquisition/ sale of entire Equity Shares that the Promoter has acquired/sold till date as per the information provided by the Promoter vide its letter dated January 28, 2021 are set-out below:

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (Rs.)	Nature of Transaction/Consideration
February 10, 1981	4,70,000	47,00,00,000	Allotment for cash
May 6, 1981	50,000	5,00,00,000	Allotment for cash
October 23, 1981	50,000	5,00,00,000	Allotment for cash
December 30, 1981	1,00,000	10,00,00,000	Allotment for cash
March 31, 1982	4,55,000	45,50,00,000	Allotment for cash
May 17, 1982	28,452	2,84,52,000	Allotment for cash
July 26, 1982	2,40,000	24,00,00,000	Allotment for cash
October 30, 1982	3,50,000	35,00,00,000	Allotment for cash
January 31, 1983	40	40,000	Allotment for cash
May 7, 1983	1,25,000	12,50,00,000	Allotment for cash
August 26, 1983	5,75,000	57,50,00,000	Allotment for cash
May 14, 1984	5,00,000	50,00,00,000	Allotment for cash
March 27, 1985	5,00,000	50,00,00,000	Allotment for cash
June 4, 1985	2,58,300	25,83,00,000	Allotment for cash
July 31, 1985	1,36,000	13,60,00,000	Allotment for cash

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (Rs.)	Nature of Transaction/Consideration
October 9, 1985	4,60,000	46,00,00,000	Allotment for cash
December 31, 1985	10,68,700	1,06,87,00,000	Allotment for cash
March 18, 1986	16,24,300	1,62,43,00,000	Allotment for cash
May 19, 1986	4,00,000	40,00,00,000	Allotment for cash
June 13, 1986	2,10,000	21,00,00,000	Allotment for cash
August 7, 1986	3,02,500	30,25,00,000	Allotment for cash
October 27, 1986	8,90,000	89,00,00,000	Allotment for cash
December 22, 1986	6,00,000	60,00,00,000	Allotment for cash
February 17, 1987	6,16,400	61,64,00,000	Allotment for cash
April 10, 1987	4,00,000	40,00,00,000	Allotment for cash
June 25, 1987	9,66,500	96,65,00,000	Allotment for cash
August 11, 1987	2,55,000	25,50,00,000	Allotment for cash
November 20, 1987	4,50,000	45,00,00,000	Allotment for cash
February 2, 1988	2,00,000	20,00,00,000	Allotment for cash
March 26, 1988	50,000	5,00,00,000	Allotment for cash
July 18, 1988	5,55,000	55,50,00,000	Allotment for cash
FY 1991-92	(3,50,99,800)	46,09,52,145	Disinvestment-Note 1
FY 1992-93	(12,98,85,000)	4,42,39,28,800	Disinvestment
FY 1993-94	(30,000)	9,60,000	Disinvestment
FY 1994-95	(6,05,030)	96,84,480	Disinvestment
FY 1998-99	56,14,99,635	-	Note 2
FY 2010-2011	1,12,29,99,270	-	Note 3
FY 2010-2011	2,24,59,98,540	-	Note 3
FY 2012-13	(15,69,38,918)	6,28,53,26,563	Offer for Sale through Stock Exchange
FY 2013-14	(32,77,000)	12,45,26,000	Offer for Sale through Stock Exchange
FY 2016-17	(64,43,00,132)	28,34,92,05,808	Buyback
FY 2017-18	(17,80,69,927)	11,83,84,44,885	Offer for Sale through Stock Exchange
FY 2017-18	(9,20,78,399)	72,85,24,22,929	Transfer to Bharat 22 ETF
FY 2017-18	(76,17,057)	50,50,87,050	Offer for Sale through Stock Exchange
FY 2018-19	(6,98,88,827)	4,51,55,17,112	Transfer to Bharat 22 ETF
FY 2018-19	(3,47,60,440)	2,60,70,33,000	Buyback
FY 2018-19	(8,89,86,323)	4,03,32,60,597	Transfer to Bharat 22 ETF
FY 2019-20	(92,88,506)	39,38,20,579	Transfer to Bharat 22 ETF
Total Current Holding	96,07,93,011		

Notes

- (i) The face value of share was Rs. 1,000 till December 31, 1991, which was reduced to Rs. 10 with effect from January 1, 1992.
- (ii) As on March 26, 1999, Capital Restructuring Scheme of the Company was effected wherein 50% of share capital was converted to 14.5% Non-convertible Redeemable Secured Debentures of Rs. 1,000 each and balance were issued as new series of shares. The paid-up capital was thus reduced to Rs. 6,44,30,96,280.
- (iii) As on March 18, 2011, there was a split/sub - division of face value of each share of the Company from Rs. 10 to Rs. 5 and issue of bonus shares in the ratio of 1:1. The paid-up share capital of the Company became Rs. 12,88,61,92,560 as on March 18, 2011, consisting of 2,57,72,38,512 shares of Rs. 5 each.

9.5 Assuming that the Promoter *i.e.* The President of India acting through Ministry of Mines, Government of India tenders their Equity Shares in the Buyback (in accordance with the declaration provided by them) and if

- All the public Shareholders participate upto their entitlement (full acceptance), then the aggregate shareholding of the Promoter, post Buyback will increase from 51.50 % (*i.e.* as on Record Date) to [●]% and the aggregate shareholding of the public in the Company shall decrease from 51.50 % to [●]% of the post Buyback equity share capital of the Company; or

- None of the public shareholders participate, then the aggregate shareholding of the Promoter, post Buyback will decrease from [●]% (i.e. as on Record Date) to [●]% and the aggregate shareholding of the public in the Company shall increase from [●]% (i.e. as on Record Date) to [●]% of the post Buyback equity share capital of the Company. However, Promoter vide their letter dated January 28, 2021 intends to participate in the Buyback and tender up to such extent that the minimum shareholding of the Promoter post buyback remains at least 51% of the post buyback equity share capital of the Company in compliance with the Buyback Regulations.
- 9.6 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, FIIs, FPIs, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.7 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed by Section 68 of the Companies Act and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance).
- 9.8 In compliance with regulation 24(i)(b) of the Buyback Regulations the Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.
- 9.9 The Company shall not raise further capital for a period of one year from the closure of Buyback Offer except in discharge of its subsisting obligations.
- 9.10 Salient financial parameters consequent to the Buyback based on the audited standalone and consolidated financial statements as on March 31, 2020 of the Company are as under:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback*	Pre-Buyback	Post-Buyback*
Net worth (Rs. in Crores)	9,988.07	9,238.97	9,986.50	9237.40
Return on Net worth (%)	1.38	1.50	1.36	1.47
Earnings Per Share (of Rs.5/- each)	0.74	0.79	0.73	0.78
Book Value per Share (Rs.)	53.54	53.24	53.53	53.23
P/E as per the latest audited financial results	39.32	36.83	39.86	37.31
Total Debt/ Equity Ratio	0.00	0.00	0.00	0.00

*(Assuming full acceptance of Equity Shares in the Buyback Offer in the ratio of Buyback)

Note:

1. Net worth = Equity Share Capital + Reserves & Surplus - Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings.

Key ratios Basis

Earnings per Share - Basic (Rs.)	Net Profit attributable to equity shareholders / Weighted average number of Shares outstanding during the year
Book value per Share (Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No of Equity Shares Subscribed
Return on Net Worth excluding revaluation reserves (%)	Net Profit After Tax / Net Worth excluding revaluation reserves
Debt-Equity Ratio	Total Debt / Net Worth
P/E ratio	Closing price on NSE as on 31.03.2020* (i.e. Rs. 29.10/ Earnings per share

*Last trading day of Financial Year 2020

10. BASIS OF CALCULATING BUYBACK PRICE

- 10.1 The Buyback Offer Price of Rs. 57.50 (Rupees Fifty Seven and Fifty Paise Only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, the net-worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer Price of Rs. 57.50 (Rupees Fifty Seven and Fifty Paise Only) per Equity Share represents (i) a premium

of 45.67% on BSE and 48.30% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 26 weeks preceding the Board Meeting date; (ii) a premium of 23.73% on BSE and 23.49% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 2 weeks preceding the Board Meeting date; (iii) a premium of 20.55% on BSE and 20.29% on NSE over the closing price of the Equity Shares on BSE & NSE, respectively as on the date of intimation to BSE & NSE for the Board Meeting to consider the proposal of the Buyback.

- 10.2 For financial ratios and trends in the market price of the Equity Shares, please refer to paragraph 15 and 16 of this Draft Letter of Offer.
- 10.3 The closing market price of the Equity Shares as on the date of intimation to the BSE and NSE for the Board Meeting for considering the Buyback i.e. January 21, 2021 was Rs 47.70 per Equity Share and Rs 47.80 per Equity Share respectively.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 13,02,79,083 (Thirteen Crore Two Lakh Seventy Nine Thousand Eighty Three) Equity Shares at a price of Rs 57.50 (Rupees Fifty Seven and Fifty Paise only) would be Rs. 749,10,47,273 (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three only), excluding the transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses.
- 11.2 The Buyback shall be made out of the free reserves of the Company as at March 31, 2020 (i.e. the last audited standalone and consolidated financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet.
- 11.3 The funds for the Buyback will be met out of internally generated cash resources of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.4 This Buyback is not likely to cause any material impact on the earnings of the Company, except for the cost of financing the Buyback, being a reduction in the treasury income that the Company could have otherwise earned on the funds deployed.

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

- 12.1 In accordance with Regulation 9(xi) of the Buyback Regulations, an Escrow Agreement will be entered into amongst the Company, the Manager to the Buyback and the Escrow Agent on [●].
- 12.2 In accordance with the Buyback Regulations, the Company proposed to open an Escrow Account in the name and style "[●]" bearing account number [●] with the Escrow Agent, namely, ICICI Bank Limited having its registered office situated at Near Chakli Circle, Old Padra Rd, Vadodara-390007, India. The Company will deposit Rs. [●] in the Escrow Account, in terms of the Buyback Regulations. The Manager to the Buyback will be empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.3 M/s Patro & Co, Chartered Accountants (Firm Reg. No. 310100E) located at Janpath Tower, 3rd Floor, Ashok Nagar, Bhubaneswar-751 009, Partner: CA Ambika Prasad Mohanty (Membership No: 057820), Tel.: +91 (0674) 2532471/2532472 and M/s GNS & Associates, Chartered Accountants (Firm Reg. No. 318171E) located at M/27, Madhusudan Nagar, Unit IV, Bhubaneswar – 751 001, Partner: CA Rajesh Kumar Pahadi (Membership No: 058221), Tel.: +91 (0674)2395256, the Joint Statutory Auditors of the Company, have certified, *vide* their certificate dated January 28, 2021, that the Company has adequate financial resources for fulfilling all obligations under the Buyback Offer.
- 12.4 Based on the above certificate, the Manager to the Buyback Offer has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1 The present capital structure of the Company, is as follows:

Particulars	Aggregate value at face value (Rs in Crore)
Authorised share capital	
6,00,00,00,000 Equity Shares of Rs.5/ each	3,000.00
Issued, subscribed and paid up share capital before the Buyback	
186,56,17,498 Equity Shares of Rs. 5/- each, fully paid up	932.81
Issued, subscribed and paid up share capital after the Buyback	
1,73,53,38,415 Equity Shares of Rs.5/- each, fully paid up	867.67*

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback

13.2 Except as stated below, during 3 years preceding the date of the Public Announcement (i.e. January 28, 2021), the Company has not bought back any Equity Shares under any Buyback programme:

S. No.	Opening Date	Closing Date	Method of Buyback	Equity Shares bought back
1.	November 13, 2018	November 28, 2018	Tender Offer through Stock Exchange Mechanism	6,73,11,386

13.3 As on the date of this Draft Letter of Offer, there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.

13.4 The shareholding pattern of the Company pre-Buyback, as on Record Date i.e. Monday, February 8, 2021, as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing Equity Share Capital	No. of Equity Shares	% of the post Buyback Equity Share Capital
Promoter	[●]	[●]	[●]	[●]
Foreign Investors (including Non Resident Indians, FIIs, FPIs and Foreign Mutual Funds)	[●]	[●]	[●]	[●]
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	[●]	[●]		
Other (public, public bodies corporate etc.)	[●]	[●]		
Total	[●]	[●]	[●]	[●]

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback

13.5 Assuming the Promoter i.e. The President of India acting through Ministry of Mines, Government of India, tenders their Equity Shares in the Buyback (in accordance with the declaration provided by them), the aggregate shareholding of the Promoter, post Buyback will increase to [●]% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will reduce to [●]% of the post Buyback Equity Share capital of the Company if none of the public shareholders participate in the Buyback Offer. However, Promoter vide their letter dated January 28, 2021 intends to participate in the Buyback and tender up to such extent that the minimum shareholding of the Promoter post buyback remains at least 51% of the post buyback equity share capital of the Company in compliance with the Buyback Regulations.

13.6 No shares in the Company were either purchased or sold by the Promoter during the period of six months preceding the date of the Board Meeting at which the Buyback was approved.

Subsequent to the date of Board Meeting, till the date of this Draft Letter of Offer, the Promoter of the Company has not entered into any transactions in relation to the Equity Shares of the Company.

- 13.7 No Equity Shares have been purchased/ sold/ transferred by the Promoter of the Company during the period of twelve months preceding the date of publication of the Public Announcement (i.e. January 29, 2021)
- 13.8 The Company shall not issue any Equity Shares including by way of bonus, from the date of publication of the Public Announcement till the date of closure of this Buyback.
- 13.9 There is no pendency of any other scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date.

14. BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 The Company was incorporated on January 7, 1981 under the Companies Act, 1956 as a Government Company. Presently, the Company's registered office is situated at Nalco Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar, Odisha.
- 14.2 The Company is a Navratna CPSE under Ministry of Mines, Government of India. The Company is a Schedule 'A' CPSE having integrated and diversified operations in mining, metal and power. The main functions of the Company include Mining and transportation of Bauxite, Refining of Alumina, production of aluminium metal and manufacturing of various Aluminium products, generation of Thermal and Wind Power and marketing of Alumina, Aluminium and allied products.
- 14.3 The Company has a 68.25 lakh TPA Bauxite Mine & 21.00 lakh TPA Alumina Refinery (normative capacity) located at Damanjodi in Koraput district of Odisha, 4.60 lakh TPA Aluminium Smelter & 1200MW Captive Power Plant located at Angul, Odisha. It has bulk shipment facilities at Vizag port and it also utilises the facilities at Kolkata and Paradeep ports. The Company has a 50.4 MW wind power plant at Gandikotta, Andhra Pradesh, 47.6 MW at Ludarva, Jaisalmer, Rajasthan, 50.0 MW at Devikot, Jaisalmer, Rajasthan and 50.4 MW at Sangli, Maharashtra. The Company has sales offices in Delhi, Kolkata, Mumbai, Chennai, branch office at Bangalore and eight stockyards at various locations in the country.
- 14.4 All the manufacturing units of the Company, are certified to ISO 9001, ISO 14001, ISO 50001 and OHSAS 18001 Management Systems and Integrated Management System operates at these units.

Growth of the business of the Company:

- 14.5 The discovery of East Coast Bauxite deposit led to the setting up of India's one of the largest integrated Aluminium Company, NALCO in 1981 following technical collaboration agreement with Aluminium Pechiney of France.
- 14.6 The project originally consisted of a 24 lakh TPA Bauxite Mine & 8 lakh TPA Alumina Refinery at Damanjodi, and 2.18 lakh TPA Smelter & 720 MW Captive Power plant at Angul in Orissa. With the emergence of Nalco on the Aluminium scene, there has been a quantum jump in Alumina and Aluminium production in the country.

The capacities of Production Units have been increased by two major expansions namely 1st Phase and 2nd Phase Expansion. The 1st Phase Expansion project was completed in 2004 and 2nd Phase in 2011. Mines and Refinery capacity has been further augmented through Up-gradation Project.

At present, NALCO is one of the largest integrated Bauxite-Alumina-Aluminium- Power Complex in the Country. The Company has a 68.25 lakh TPA Bauxite Mine & 21.00 lakh TPA Alumina Refinery (normative capacity) located at Damanjodi in Koraput dist. of Odisha, and 4.60 lakh TPA Aluminium Smelter & 1200 MW Captive Power Plant located at Angul, Odisha. NALCO has bulk shipment facilities at Vizag port for export of Alumina/Aluminium and import of caustic soda and also utilises the facilities at Kolkata and Paradeep ports.

- 14.7 With its endeavour to harness renewable energy sources, Nalco diversified into wind power by commissioning of a 50.4 MW wind power plant at Gandikota, Andhra Pradesh in December, 2012 and subsequently adding plants in Jaisalmer, Rajasthan (at 2 locations) & Sangli, Maharashtra to take its total wind power capacity to 198 MW.

The Company has also set up total 670 kwp roof top solar panels at its corporate office and other locations.

- 14.8 The Company has extensive plans for brown field and green field expansion projects, which include the ongoing 5th Stream Refinery Project of 1 MTPA capacity in existing Alumina Refinery at Damanjodi (Brownfield), development of Pottangi bauxite mines, Bauxite transportation system from South block of Panchpatmali mines and Utkal D&E coal mines in Odisha.

The Company is pursuing to increase its Aluminium smelting capacity by 0.5 million tonne brown field expansion of its Smelter at Angul. Various options for sourcing of affordable power are being explored for the brown field expansion. The Company also plans to set up a green field Smelter of 0.5 million TPA & Power plant of 1,200 to 1,400 MW in JV with MCL.

To augment its business through forward and backward integration, the Company has formed the following JV Companies:

- (i). JV with GACL: The Company is setting up a 2.7 lakh TPA Caustic soda plant at Dahej, Gujarat.
- (ii). Utkarsh Aluminium Dhatu Nigam Limited (UADNL) in JV with MIDHANI for production of high end Aluminium alloys.
- (iii). Khanij Bidesh India Limited (KABIL) in JV with HCL & MECL to acquire strategic mineral assets in overseas locations.
- (iv). Angul Aluminium Park in JV with IDCO for promotion of downstream and ancillary industries.

- 14.9 Details of changes in share capital of the Company since incorporation are as follows:

Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs)	Issue price (Rs)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Equity Share Capital (Rs)	Cumulative Equity Share Capital (Rs)
February 10, 1981	4,70,000	1,000	1,000	Cash	4,70,000	47,00,00,000	47,00,00,000
May 6, 1981	50,000	1,000	1,000	Cash	5,20,000	5,00,00,000	52,00,00,000
October 23, 1981	50,000	1,000	1,000	Cash	5,70,000	5,00,00,000	57,00,00,000
December 30, 1981	1,00,000	1,000	1,000	Cash	6,70,000	10,00,00,000	67,00,00,000
March 31, 1982	4,55,000	1,000	1,000	Cash	11,25,000	45,50,00,000	112,50,00,000
May 17, 1982	28,452	1,000	1,000	Cash	11,53,452	2,84,52,000	115,34,52,000
July 26, 1982	2,40,000	1,000	1,000	Cash	13,93,452	24,00,00,000	139,34,52,000
October 30, 1982	3,50,000	1,000	1,000	Cash	17,43,452	35,00,00,000	174,34,52,000
January 31, 1983	40	1,000	1,000	Cash	17,43,492	40,000	174,34,92,000
May 7, 1983	1,25,000	1,000	1,000	Cash	18,68,492	12,50,00,000	186,84,92,000
August 26, 1983	5,75,000	1,000	1,000	Cash	24,43,492	57,50,00,000	244,34,92,000
May 14, 1984	5,00,000	1,000	1,000	Cash	29,43,492	50,00,00,000	294,34,92,000
March 27, 1985	5,00,000	1,000	1,000	Cash	34,43,492	50,00,00,000	344,34,92,000
June 4, 1985	2,58,300	1,000	1,000	Cash	37,01,792	25,83,00,000	370,17,92,000
July 31, 1985	1,36,000	1,000	1,000	Cash	38,37,792	13,60,00,000	383,77,92,000
October 9, 1985	4,60,000	1,000	1,000	Cash	42,97,792	46,00,00,000	429,77,92,000

Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs)	Issue price (Rs)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Equity Share Capital (Rs)	Cumulative Equity Share Capital (Rs)
December 31, 1985	10,68,700	1,000	1,000	Cash	53,66,492	106,87,00,000	536,64,92,000
March 18, 1986	16,24,300	1,000	1,000	Cash	69,90,792	162,43,00,000	699,07,92,000
May 19, 1986	4,00,000	1,000	1,000	Cash	73,90,792	40,00,00,000	739,07,92,000
June 13, 1986	2,10,000	1,000	1,000	Cash	76,00,792	21,00,00,000	760,07,92,000
August 7, 1986	3,02,500	1,000	1,000	Cash	79,03,292	30,25,00,000	790,32,92,000
October 27, 1986	8,90,000	1,000	1,000	Cash	87,93,292	89,00,00,000	879,32,92,000
December 22, 1986	6,00,000	1,000	1,000	Cash	93,93,292	60,00,00,000	939,32,92,000
February 17, 1987	6,16,400	1,000	1,000	Cash	100,09,692	61,64,00,000	1000,96,92,000
April 10, 1987	4,00,000	1,000	1,000	Cash	104,09,692	40,00,00,000	1040,96,92,000
June 25, 1987	9,66,500	1,000	1,000	Cash	113,76,192	96,65,00,000	1137,61,92,000
August 11, 1987	2,55,000	1,000	1,000	Cash	116,31,192	25,50,00,000	1163,11,92,000
November 20, 1987	4,50,000	1,000	1,000	Cash	120,81,192	45,00,00,000	1208,11,92,000
February 2, 1988	2,00,000	1,000	1,000	Cash	122,81,192	20,00,00,000	1228,11,92,000
March 26, 1988	50,000	1,000	1,000	Cash	123,31,192	5,00,00,000	1233,11,92,000
July 18, 1988	5,55,000	1,000	1,000	Cash	128,86,192	55,50,00,000	1288,61,92,000
January 1, 1992	The face value of share was Rs 1000 each till December 31, 1991 which was sub-divided to Rs 10 each with effect from January 1, 1992.					1288,61,92,000	1288,61,92,000
March 26, 1999 (Note 1)	Capital Restructuring Scheme of the Company was effected wherein 50% of share capital was converted to 14.5% Non-convertible Redeemable Secured Debentures of Rs.1000/- each and balance were issued as new series of shares. The paid-up capital was thus reduced to Rs 6,44,30,96,280.					6,44,30,96,280	6,44,30,96,280
March 18, 2011	There was a split/sub-division of face value of each share of the Company from Rs 10/- to Rs. 5/- and issue of bonus shares in the ratio of 1:1 thereafter in March, 2011. The paid-up share capital of the Company became Rs 12,88,61,92,560 as on March 18, 2011, consisting of 2,57,72,38,512 shares of Rs 5/- each.					12,88,61,92,560	12,88,61,92,560
September 26, 2016	The Company bought back 64,43,09,628 Equity Shares of Rs 5 Each constituting 25% of the paid of Equity Shares of the Company at the rate of Rs 44 per share and thereafter extinguished the Equity Shares					322,15,48,140	966,46,44,420
December 12, 2018	The Company bought back 6,73,11,386 Equity Shares of Rs 5/- Each constituting 3.48% of the paid of Equity Shares of the Company at the rate of Rs. 75/- per share and thereafter extinguished the Equity Shares					33,65,56,930	932,80,87,490

14.10 The Board of Directors of the Company as on the date of publication of Public Announcement (i.e. January 29, 2021) was as under:

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Director on the Board since:	Other Directorships
1.	Name: Sridhar Patra Qualification: Chartered Accountant Occupation: Service Age: 56 years DIN: 06500954	Chairman-cum- Managing Director	01.09.2018	a)Utkarsha Aluminium Dhatu Nigam Limited b) Khanij Bidesh India Limited
2.	Name: Pradip Kumar Mishra Qualification: Post Graduate in English Literature Occupation: Service Age: 59 years DIN: 06445517	Director (Commercial) & Director (Finance)- Addl. Charge	23.04.2018	Nil
3.	Name: Radhashyam Mahapatro Qualification: Post-Graduation in Industrial Relation & Labour Welfare, Occupation: Service, Age: 56 Years, DIN: 07248972	Director (HR)	01.01.2020	Nil
4.	Name: Shri M. P. Mishra Qualification: Mechanical Engineering Occupation: Service Age: 57 years DIN: 08951624	Director (Project & Technical)	01.11.2020	Nil
5.	Name: Shri B. K. Das Qualification: Mechanical Engineering Occupation: Service Age: 58 years DIN: 08984700	Director (Production)	01.12.2020	Nil
6.	Name: Shri Satendra Singh, IAS Qualification: IAS Occupation: Service Age: 50 years DIN: 05195060	Part-time Official Director	05.08.2020	Khanij Bidesh India Limited
7.	Name: Shri Sanjay Lohiya, IAS Qualification: IAS Occupation: Service Age: 51 years DIN: 07151125	Part-time Official Director	09.11.2020	Khanij Bidesh India Limited

14.11 The details of changes in the Board of Directors during last 3 years from the date of the publication of the Public Announcement (i.e. January 29, 2021) are as under:

S. No.	Name of the Director	Appointment/ Cessation	Date of Appointment/ Change/ Cessation	Reason
1.	Shri P. K. Mishra, Director (Commercial)	Appointment	23.04.2018	-
2.	Shri K. C. Samal, Director (Finance)	Cessation	31.08.2018	Superannuation
3.	Shri Sridhar Patra, Director (Finance)	Appointment	01.09.2018	-
4.	Shri Dipankar Mahanta, Independent Director	Cessation	20.11.2018	End of term of 3 years
5.	Shri S. Sankararaman, Independent Director	Cessation	20.11.2018	End of term of 3 years
6.	Shri Pravat Keshari Nayak, Independent Director	Cessation	20.11.2018	End of term of 3 years
7.	Shri Maheswar Sahu, Independent Director	Cessation	20.11.2018	End of term of 3 years
8.	Prof. Damodar Acharya, Independent Director	Cessation	20.11.2018	End of term of 3 years
9.	Shri Dipankar Mahanta, Independent Director	Appointment	21.11.2018	-
10.	Shri S. Sankararaman, Independent Director	Appointment	21.11.2018	-
11.	Shri Pravat Keshari Nayak, Independent Director	Appointment	21.11.2018	-
12.	Shri Maheswar Sahu, Independent Director	Appointment	21.11.2018	-
13.	Prof. Damodar Acharya, Independent Director	Appointment	21.11.2018	-
14.	Shri Dipankar Mahanta, Independent Director	Cessation	20.11.2019	End of term of one year
15.	Shri S. Sankararaman, Independent Director	Cessation	20.11.2019	End of term of one year
16.	Shri Pravat Keshari Nayak, Independent Director	Cessation	20.11.2019	End of term of one year
17.	Shri Maheswar Sahu, Independent Director	Cessation	20.11.2019	End of term of one year
18.	Prof. Damodar Acharya, Independent Director	Cessation	20.11.2019	End of term of one year
19.	Dr. T. K. Chand, Chairman-cum-Managing Director	Cessation	30.11.2019	Superannuation
20.	Shri Sridhar Patra, Director (Finance)	Cessation	16.12.2019	Upon being appointed as Chairman-cum-Managing Director w.e.f. 17.12.2019
21.	Shri Sridhar Patra, Chairman-cum-Managing Director	Appointment	17.12.2019	-
22.	Shri B. K. Thakur, Director (HR)	Cessation	31.12.2019	Superannuation
23.	Shri R. S. Mahapatro Director (HR)	Appointment	01.01.2020	-
24.	Dr. K Rajeswara Rao, IAS, Part-time Official Director	Cessation	05.08.2020	End of the tenure
25.	Shri Anil Kumar Nayak, IOFS, Part-time Official Director	Cessation	05.08.2020	End of the tenure
26.	Shri Upendra C Joshi, IRTS Part-time Official Director	Appointment	05.08.2020	

S. No.	Name of the Director	Appointment/ Cessation	Date of Appointment/ Change/ Cessation	Reason
27.	Shri Satendra Singh, IAS, Part-time Official Director	Appointment	05.08.2020	-
28.	Shri Upendra C Joshi, IRTS, Part-time Official Director	Cessation	09.11.2020	End of the tenure
29.	Shri Sanjay Lohiya, IAS Part-time Official Director	Appointment	09.11.2020	-
30.	Shri S. K. Roy, Director (P&T)	Cessation	31.10.2020	Superannuation
31.	Shri M. P. Mishra, Director (P&T)	Appointment	01.11.2020	-
32.	Shri V. Balasubramanyam, Director (Production)	Cessation	30.11.2020	Superannuation
33.	Shri. B. K. Das Director (Production)	Appointment	01.12.2020	-

14.12 The buyback will not result in any benefit to the Directors of the Company/ Promoter and person in control of the Company/ group companies except to the extent of their intention to participate in the Buyback and actual 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 reduction in the Equity Share Capital post Buyback.

14.13 Details of shareholding of Directors & Key Managerial Personnel as on the date of publication of the Public Announcement (i.e. January 29, 2021) are as under:

Sl. No.	Director/Key Managerial Personnel Name	No. of Equity Shares held
1.	Shri M. P. Mishra, Director (P&T)	4,145
2.	Shri B. K. Das, Director (Production)	3,016
3.	Shri Nayan Kumar Mohanty, GM & Company Secretary and Compliance Officer	5,000

15. FINANCIAL INFORMATION ABOUT THE COMPANY

- a) The salient financial information of the Company extracted from the audited standalone financial statement for last three years being March 31, 2020, March 31, 2019 and March 31, 2018 and unaudited limited reviewed financial results for six months period ended September 30, 2020 are given below:

Key Financials	For Six Months Period ended September 30, 2020	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	(Limited Review)	(Audited)	(Audited)	(Audited)
Revenue from Operations	3,755.52	8,471.84	11,499.32	9,618.31
Other Income	57.45	272.58	325.87	299.65
Total Income	3,812.97	8,744.42	11,825.19	9,917.96
Total Expenses (excluding interest & depreciation)	3,350.58	7,982.61	8,606.79	8,220.86
Interest	3.63	5.74	2.38	1.95
Depreciation	279.09	529.83	476.10	480.40
Exceptional Items: Expense / (Income)	-	-	-	(824.08)
Profit Before Tax	179.67	226.24	2,739.92	2,038.83
Provisions for Tax (including Deferred Tax)	55.59	88.01	1,007.52	696.42
Profit/(Loss) discontinuing operation	-	-	-	-
Profit/ (Loss) After Tax	124.08	138.23	1,732.40	1,342.41
Paid-up Equity Share Capital	932.81	932.81	932.81	966.46

(Rs. in Crore)

Key Financials	For Six Months Period ended September 30, 2020	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	(Limited Review)	(Audited)	(Audited)	(Audited)
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off	9,185.75	9,055.26	9,551.70	9,538.35
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	10,118.56	9,988.07	10,484.51	10,504.81
Total Debt, excluding working capital loans	0.00	0.00	0.00	0.00

Financial Ratios are as under:

Particulars	For Six Months Period ended September 30, 2020 (Limited Review)*	For the year ended March 31, 2020 (Audited)	For the year ended March 31, 2019 (Audited)	For the year ended March 31, 2018 (Audited)
Earnings per Share (Rs.)	0.67	0.74	9.06	6.94
Debt/ Equity Ratio	-	-	-	-
Book Value (Rs. per Share)	54.24	53.54	56.20	54.35
Return on Net worth (%)	1.23	1.38	16.52	12.78
Total Debt/ Net worth (%)	0.00	0.00	0.00	0.00

*Not Annualised

Notes:

1. Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

Key Ratios basis:

Earnings per Share- Basic (Rs)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares Subscribed
Return on Networth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth

b) Salient financial parameters consequent to the Buyback based on the latest audited standalone financial statements for the financial year ended March 31, 2020 are as under:

Parameters	Pre-Buyback	Post- Buyback*
Net worth (Rs. in Crores)	9,988.07	9,238.97
Return on Net worth (%)	1.38	1.50
Earnings Per Share (of Rs.5/- each)	0.74	0.79
Book Value per Share (Rs.)	53.54	53.24
P/E as per the latest audited financial results	39.32	36.83
Total Debt/ Equity Ratio	0.00	0.00

*(Assuming full acceptance of Equity Shares in the Buyback Offer in the ratio of Buyback)

Notes:

1. Net worth = Equity Share Capital + Reserves& Surplus – Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings.

Key Ratios Basis

Earnings per Share – Basic (Rs.)	Net Profit attributable to equity shareholders / Weighted average number of Shares outstanding during the year
Book value per Share (Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No of Equity Shares Subscribed
Return on Net Worth excluding revaluation reserves (%)	Net Profit After Tax / Net Worth excluding revaluation reserves
Debt-Equity Ratio	Total Debt / Net Worth
P/E ratio	Closing price on NSE as on 31.03.2020* (i.e. Rs. 29.10/ Earnings per share

*Last trading day in Financial Year 2020

- c) The salient financial information of the Company extracted from the audited consolidated financial statement for last three years being 31 March 2020, 31 March 2019 and 31 March 2018 and unaudited limited reviewed consolidated financial results for six months ended 30 September 2020 are given below:

(Rs. in Crore)

Key Financials	For Six Months Period ended September 30, 2020	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	(Limited Review)	(Audited)	(Audited)	(Audited)
Revenue from Operations	3,755.52	8,471.84	11,499.32	9,618.31
Other Income	57.33	270.58	327.16	299.43
Total Income	3,812.85	8,742.42	11,826.48	9,917.74
Total Expenses (excluding interest & depreciation)	3,350.58	7,982.61	8,606.79	8,220.86
Interest	3.63	5.74	2.38	1.95
Depreciation	279.09	529.83	476.10	480.40
Exceptional Items: Expense / (Income)	-	-	-	(824.08)
Profit Before Tax	179.55	224.24	2,741.21	2,038.61
Provisions for Tax (including Deferred Tax)	55.59	88.01	1,007.52	696.42
Profit/(Loss) discontinuing operation	-	-	-	-
Profit/ (Loss) After Tax	123.96	136.23	1,733.69	1,342.19
Paid-up Equity Share Capital	932.81	932.81	932.81	966.46
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off	9,184.06	9,053.69	9,552.13	9,537.49
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	10,116.87	9,986.50	10,484.94	10,503.95
Total Debt, excluding working capital loans	-	-	-	-

Financial Ratios are as under:

Particulars	For Six Months Period ended September 30, 2020 (Limited Review)*	For the year ended March 31, 2020 (Audited)	For the year ended March 31, 2019 (Audited)	For the year ended March 31, 2018 (Audited)
Earnings per Share (Rs.)	0.66	0.73	9.07	6.94
Debt/ Equity Ratio	-	-	-	-
Book Value (Rs. per Share)	54.23	53.53	56.20	54.34
Return on Net worth (%)	1.23	1.36	16.54	12.78
Total Debt/ Net worth (%)	0.00	0.00	0.00	0.00

*Not Annualised

Notes:

1. Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

Key Ratios basis:

Earnings per Share- Basic (Rs.)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares Subscribed
Return on Networth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth

- d) Salient financial parameters consequent to the Buyback based on the latest audited consolidated financial statements for the financial year ended March 31, 2020 are as under:

Parameters	Pre-Buyback	Post- Buyback*
Net worth (Rs. in Crores)	9,986.50	9,237.40
Return on Net worth (%)	1.36	1.47
Earnings Per Share (of Rs.5/- each)	0.73	0.78
Book Value per Share (Rs.)	53.53	53.23
P/E as per the latest audited financial results	39.86	37.31
Total Debt/ Equity Ratio	0.00	0.00

*(Assuming full acceptance of Equity Shares in the Buyback Offer in the ratio of Buyback)

Notes:

1. Net worth = Equity Share Capital + Reserves& Surplus – Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings.

The key ratios have been computed as below:

Key Ratios Basis :

Earnings per Share – Basic (Rs.)	Net Profit attributable to equity shareholders / Weighted average number of Shares outstanding during the year
Book value per Share (Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No of Equity Shares Subscribed
Return on Net Worth excluding revaluation reserves (%)	Net Profit After Tax / Net Worth excluding revaluation reserves
Debt-Equity Ratio	Total Debt / Net Worth
P/E ratio	Closing price on NSE as on 31.03.2020* (i.e. Rs. 29.10 / Earnings per share

*Last trading day in Financial Year 2020

16. STOCK MARKET DATA

16.1 The Company's Equity Shares are listed on BSE and NSE. The maximum volume of trading in the Equity Shares of the Company is recorded on NSE. The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement (i.e. January 29 2021) from July 2020 to December 2020 and the corresponding volumes on the BSE and NSE are as follows:

For BSE:

Period	High* (Rs.)	Date of High	Number of Shares traded on that date	Low* (Rs.)	Date of Low	Number of shares traded on that date	Average Price* (Rs.)	Total volume of traded in the period (Shares)
PRECEDING 3 YEARS								
FY 2018	97.65	November 01, 2017	12,35,972	60.75	March 07, 2018	12,95,566	74.08	17,46,61,869
FY 2019	90.10	April 19, 2018	66,01,841	46.25	February 14, 2019	29,14,359	65.65	24,75,93,799
FY 2020	58.00	April 1, 2019	15,95,121	24.45	March 13, 2020	10,24,731	44.44	14,74,32,039
PRECEDING 6 MONTHS								
July 2020	37.50	July 9, 2020	15,09,178	31.25	July 01, 2020	5,46,418	33.82	1,89,89,476
August 2020	40.00	August 20, 2020	14,42,445	32.50	August 3, 2020	3,77,651	36.00	1,73,63,404
September 2020	38.00	September, 03, 2020	6,23,094	30.00	September, 24, 2020	7,54,552	34.20	1,54,92,414
October 2020	33.30	October 01, 2020	8,37,641	29.15	October 14, 2020	5,34,374	30.80	1,08,88,080
November 2020	40.20	November 27, 2020	33,55,445	29.95	November 02, 2020	4,08,124	34.63	1,83,92,164
December 2020	45.00	December 17, 2020	17,13,795	37.40	December 22, 2020	1535327	42.04	3,72,74,354

N.A.: Not Available

Source: www.bseindia.com

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

For NSE:

Period	High* (Rs.)	Date of High	Number of Shares traded on that date	Low* (Rs.)	Date of Low	Number of shares traded on that date	Average Price* (Rs.)	Total volume of traded in the period (Shares)
PRECEDING 3 YEARS								
FY 2018	97.60	Nov 1, 2017	75,87,705	60.70	March 7, 2018	1,59,38,253	74.09	1,38,71,69,895
FY 2019	90.20	April 19, 2018	6,49,34,268	46.20	February 14, 2019	43,4,47,383	65.67	2,70,04,84,936
FY 2020	57.90	April 1, 2019	1,68,17,707	24.40	March 13, 2020	1,57,39,957	44.43	2,12,56,92,525
PRECEDING 6 MONTHS								
July 2020	37.50	July 9, 2020	3,59,00,645	31.25	July 1, 2020	71,75,025	33.82	37,57,88,785
August 2020	40.05	August 20, 2020	1,89,59,566	32.50	August 3, 2020	1,92,95,486	36.00	31,80,32,897
September 2020	38.05	September 3, 2020	69,24,211	29.95	September 24, 2020	1,26,63,408	34.18	27,85,32,979
October 2020	33.30	October 1, 2020	1,24,98,033	29.10	October 14, 2020	2,18,02,474	30.78	24,71,37,714
November 2020	40.20	November 27, 2020	6,00,14,452	29.95	November 02, 2020	73,49,120	34.63	28,30,80,411
December 2020	45.00	December 17, 2020	2,21,50,396	37.35	December 22, 2020	2,45,56,242	42.06	52,22,73,490

N.A.: Not Available

Source: www.nseindia.com

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

16.2 The closing market price of the Equity Shares of the Company:

- As on January 25, 2021 i.e. the trading day before January 27, 2021, being the date of Board Meeting approving the Buyback was Rs. 46.20 per Equity Share on BSE and Rs. 46.15 per Equity Share on NSE.
- As on January 27, 2021, i.e. the date of Board Meeting approving the Buyback was Rs. 47.90 per Equity share on BSE and Rs.47.90 per Equity share on NSE.

- (c) As on January 28, 2021, i.e. the day immediately after January 27, 2021, being the date of Board Meeting approving the Buyback was Rs. 47.05 per Equity Share on BSE and Rs. 47.00 per Equity Share on NSE.
- (d) As on January 29, 2021, i.e., the date of publication of Public Announcement was issued was Rs. 47.90 per Equity Share on BSE and Rs. 47.90 per Equity Share on NSE.

17. DETAILS OF STATUTORY APPROVALS

- 17.1 The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- 17.2 Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA and the rules and regulations framed thereunder read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI, subject to the adherence to pricing guidelines, documentation and reporting requirements for such transfers as specified by RBI.
- 17.3 By agreeing to participate in the Buyback, the NRE and NRI 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.
- 17.4 Erstwhile OCB 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.
- 17.5 As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.
- 17.6 The Buyback has been approved by the Board of Directors in their meeting held on January 27, 2021.

18. DETAILS OF REGISTRAR TO THE BUYBACK OFFER

Eligible shareholders who wish to tender their Equity Shares in the Buyback are required to send the Tender Form, TRS, Physical Share certificate (for physical Shareholders only) and other documents by superscribing the envelope as “NALCO Buyback 2021” to the Registrar to the Buyback Offer either by registered post/courier or hand delivery at their below office, so that the same are received within 2 (two) days from the Buyback Closing Date i.e. [●]:



KFin Technologies Pvt. Ltd.

Selenium, Tower B,
Plot No-31 and 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi - 500 032,
Telangana, India

Contact Person: Mr. M. Murali Krishna

Tel.: +91 40 6716 2222

Fax: +91 40 2343 1551

Toll free number: 18003454001

Email: nalco.buyback2021@kfintech.com

Investor grievance e-mail: einward.ris@kfintech.com

Website: www.kfintech.com

SEBI Registration Number: INR000000221

Validity Period: Permanent

CIN: U72400TG2017PTC117649

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

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.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

19.1 The Company proposes to buyback not exceeding 13,02,79,083 (Thirteen Crore Two Lakh Seventy Nine Thousand Eighty Three) Equity Shares from the Eligible Shareholders of the Company, on a proportionate basis, through the Tender Offer process at a price of Rs 57.50 (Rupees Fifty Seven and Fifty Paise Only) per Equity Share, payable in cash for an aggregate consideration not exceeding Rs 749,10,47,273/- (Rupees Seven Hundred Forty Nine Crore Ten Lakh Forty Seven Thousand Two Hundred Seventy Three Only) excluding transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buy-back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses. The maximum number of Equity Shares proposed to be bought back represents 6.98% of the total number of Equity Shares in the paid-up share capital of the Company. The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder, in accordance with Article 29A of the Articles of Association of the Company and the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc. The Buyback Offer Size represents 7.83% and 7.83% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020 (the last audited standalone and consolidated financial statements available as on the date of the Board Meeting approving the Buyback).

The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.

19.2 The aggregate shareholding of the Promoter as on Record Date i.e. Monday, February 08, 2021 is [●] Equity Shares, which represents [●] % ([●] percent) of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer process, the promoter and the promoter group of the company has the option to participate in the Buyback. In this regard, the President of India acting through Ministry of Mines, Government of India, vide their letter dated January 28, 2021 intends to participate in the Buyback and tender up to such extent that the minimum shareholding of the Promoter post buyback remains at least 51% of the post buyback equity share capital of the Company in compliance with the Buyback Regulations.

19.3 Assuming that the above stated Promoter i.e. The President of India acting through Ministry of Mines, Government of India, tenders their Equity Shares in the Buyback (in accordance with the declaration provided by them), the aggregate shareholding of the Promoter, post Buyback will increase to [●]% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will reduce to [●]% of the post Buyback equity share capital of the Company if none of the public shareholders participate in the Buyback Offer. However, Promoter vide their letter dated January 28, 2021 intends to participate in the Buyback and tender up to such extent that the minimum shareholding of the Promoter post buyback remains at least 51% of the post buyback equity share capital of the Company in compliance with the Buyback Regulations.

19.4 Record Date, Ratio of the Buyback and entitlement of each Shareholder

- a) The Board of Directors of the Company in its meeting held on January 27, 2021 announced Monday, February 8, 2021 as the Record Date for the purpose of determining the Buyback Entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.
- b) The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
 - Reserved category for Small Shareholders (“**Reserved Category**”); and
 - General category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)
- c) As defined in the Buyback Regulations, a “**Small Shareholder**” is a shareholder who holds Equity Shares having market value, on the basis of closing price on the stock exchange in which the highest trading volume as on Record Date, of not more than Rs.2,00,000 (Rupees Two Lakh

only). As on the Record Date, the volume of Shares traded on NSE was [●] shares and on BSE was [●] Shares. Accordingly, [●] being the exchange with highest turnover, the closing price was Rs. [●] and hence all Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback Offer.

- d) Based on the above definition, there are [●] Small Shareholders with aggregate shareholding of [●] Shares, as on Record Date, which constitutes [●]% of the outstanding paid up equity share capital of the Company and [●]% of the number of [●] Equity Shares which are proposed to be bought back as part of this Buyback Offer.
- e) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be [●] Equity Shares which is higher of:
- i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of [●] Equity Shares which works out to [●] Equity Shares; or
 - ii. The number of Equity Shares entitled as per their shareholding as on Record Date [i.e. $([●] / [●]) \times [●]$] which works out to [●] Equity Shares.

All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders since the Promoter i.e. (the President of India, acting through Ministry of Mines, Government of India) also intends to offer Equity Shares held by them in the Buyback.

- f) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, [●] Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.
- g) Based on the above entitlements, the Ratio of Buyback for both categories is decided as below:

Category	Ratio of Buyback
Reserved Category	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date
General Category	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date

(The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is [●]% and General Category for all other Eligible Shareholders is [●].)

19.5 Fractional Entitlements

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

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

19.6 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category

Subject to the provisions contained in this Draft Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

- a) Full acceptance (i.e. 100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.6 (a) above, in case, there are any Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who

were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.

- c) Post the acceptance as described in paragraph 19.6 (a) and (b) above, in case, there are any validly tendered unaccepted Shares in the Reserved Category (**“Reserved Category Additional Shares”**) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.6 (b) above, shall be reduced by one.
- d) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6 (c) above, will be made as follows:
 - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.7 Basis of Acceptance of Equity Shares validly tendered in the General Category

Subject to the provisions contained in this Draft Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- a) Full Acceptance (i.e.100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.7 (a) above, in case, there are any validly tendered unaccepted Shares in the General Category (**“General Category Additional Shares”**) and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholders divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.
- c) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.7 (b) above, will be made as follows:
 - For any Eligible Shareholder, if the number of Additional 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.
 - For any Eligible Shareholder, if the number of Additional 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.

19.8 Basis of Acceptance of Shares between Categories

- a) After acceptances of tenders, as mentioned in 19.6 and 19.7 above, in case, there are any Shares left to be bought back in one category (**‘Partially filled Category’**), and there are additional unaccepted validly tendered Shares (**‘Further Additional Shares’**) in the second Category (**‘Over Tendered Category’**), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid Acceptances per Shareholder shall be equal to the Further Additional Shares validly tendered by an Eligible Shareholder in the Over Tendered

Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially filled Category.

- b) If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Shares before acceptance in paragraph 19.8(a) above out of the Shares left to be bought back in the Partially Filled Category, provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.
- c) Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8(a) above:
 - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.9 For avoidance of doubt, it is clarified that the Shares accepted under the Buyback Offer from each Eligible Shareholder, in accordance with above clauses, shall be lower of the following:

- the number of Shares tendered by the respective Shareholder, and
- the number of Shares held by the respective Shareholder, as on the Record Date.

19.10 For the avoidance of doubt, it is clarified that the Equity Shares tendered by any Eligible Shareholder over and above the number of Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with above clauses.

19.11 **Clubbing of Entitlements**

In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the buyback entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical 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, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar 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 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.

20. **PROCEDURE FOR TENDER OFFER AND SETTLEMENT**

20.1 The Buyback is open to all Eligible Shareholders of the Company holding either Physical Shares or Demat Shares as on the Record Date as per the records made available to the Company by the Depositories/Registrar as on the Record Date. The Company proposes to implement the Buyback through the tender offer process, on a proportionate basis.

20.2 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 sub-paragraph 20.13 below.

- 20.3 The non-receipt of Letter of Offer by, or accidental omission to mail the Letter of Offer to any person who is eligible to receive the same to participate in the Buyback, shall not invalidate the Buyback Offer in any way.
- 20.4 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
- 20.5 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.
- 20.6 Eligible Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares 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. Shareholders may also tender a part of their Buyback Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (*Process and Methodology for the Buyback*) of this Draft Letter of Offer.
- 20.7 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares, if any tendered by Eligible Shareholders will be accepted as per paragraphs 19.6, 19.7 and 19.8.
- 20.8 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar, and the such tendered shares may be accepted subject to appropriate verification and validation by the Registrar.
- 20.9 As elaborated under Paragraph 19.4(b) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories:
- (a) Reserved Category for Small Shareholders and
- (b) General Category for other Eligible Shareholders, and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.10 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.
- 20.11 The Buyback shall be implemented by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, following the procedure prescribed in the Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board (including the Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.12 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.
- 20.13 **In case of non-receipt of Letter of Offer and Tender Form**
- (i) If Eligible Shareholder(s) holding Equity shares in dematerialized form, 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 email ID mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, the Company

shall undertake reasonable steps to send the Letter of Offer and the Tender Form either physically by an expedited commercial courier service/ registered post or by any other permissible mode of communication (to the extent possible). An Eligible Shareholder may participate in the Offer by downloading the Letter of Offer and the Tender Form from the website of the Company at www.nalcoindia.com, the Stock Exchanges at www.bseindia.com and www.nseindia.com the Registrar to the Buyback at www.kfintech.com or send an application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.

(ii) An Eligible Shareholder holding Equity Shares in physical form, may participate in the Buyback by downloading the Letter of Offer and the Tender Form from the website of the Company at www.nalcoindia.com, the Stock Exchanges at www.bseindia.com and www.nseindia.com the Registrar to the Buyback at www.kfintech.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 distinctive 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 at www.nalcoindia.com. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in 20.26 below), reach the Registrar to the Buyback latest by [●] (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 or the Company or are not in the same order (although attested), the Company or the Registrar to the Buyback shall have a right to reject such applications. For further process, please refer to section 20.26 below titled as "Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in the Physical form" of this Draft Letter of Offer.

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

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

20.15 For implementation of the Buyback, the Company has appointed IDBI Capital Markets & Securities Limited as the registered broker to the Company (the "**Company's Broker**") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:



IDBI Capital Markets & Securities Limited

6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400005

Contact Person: Ms. Charushila Parkar

Tel No.: +91 22 2217 1700; **Fax No.:** +91 22 2215 1787;

Email: charushila.parkar@idbicapital.com; **Website:** www.idbicapital.com

SEBI Registration Number: INZ000007237

Corporate Identity Number: U65990MH1993GOI075578

20.16 The Company has appointed NSE to provide a separate Acquisition Window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. NSE would be the Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers ("**Shareholder Broker**").

20.17 In the event Shareholder Broker(s) of Eligible Shareholder is not registered with NSE then that Eligible Shareholder can approach any NSE registered stock broker and can make a bid by using quick Unique Client Code ("**UCC**") facility through that NSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible

Shareholder is not able to bid using quick UCC facility through any other NSE registered stock broker then the Eligible Shareholder may approach Company's Broker to bid by using quick UCC facility.

20.18 The Eligible Shareholder approaching NSE registered stock broker (with whom he does not have an account) may have to submit following details:

(a) In case of Eligible Shareholder being an Individual or HUF

(i) If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):

A. Forms required:

- Central Know Your Client (CKYC) form
- Know Your Client (KYC) form

B. 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)

(ii) If Eligible Shareholder is not registered with KRA:

A. Forms required:

- CKYC form
- KRA form
- KYC form

B. 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.

(b) In case of Eligible Shareholder other than Individual and HUF:

(i) If Eligible Shareholder is KRA registered:

A. Form required:

- KYC form

B. 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)
- 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

(ii) If Eligible Shareholder is not KRA registered:

A. Forms required:

- KRA form
- KYC form

B. 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)
- 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

Additionally, registered Equity Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in paragraph 20.26.

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.

- 20.19 At the beginning of the Tendering Period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Shareholders.
- 20.20 Shareholder Broker can enter orders for demat Shares as well as physical Shares.
- 20.21 Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Eligible Shareholder for selling the Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- 20.22 The cumulative quantity tendered shall be made available on NSE website- www.nseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.23 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.24 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.
- 20.25 Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form**

Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback. The Shareholder Broker would be required to place a bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the NSE.

Before placing the bid, the Eligible Shareholder would need to transfer the tendered Equity Shares to the special account of NSE Clearing Limited ("Clearing Corporation" / "NCL"), by using the early pay in mechanism as prescribed by the NSE or the Clearing Corporation prior to placing the bid by the Shareholder Broker. This shall be validated at the time of order/bid entry. The details of the settlement number for the Buyback shall be informed in the issue opening circular that will be issued by NSE/

Clearing Corporation. Modification/cancellation of orders will be allowed during the Tendering Period. The details of the special account of the Clearing Corporation shall be informed in the issue opening circular that will be issued by the NSE and/or the Clearing Corporation.

For custodian participant orders for demat Equity 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 closing of trading hours on the last day of the Tendering Period (Buyback Closing Date). 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.

Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, Number of Equity Shares tendered etc.

In case of demat Equity Shares, submission of Tender Form and TRS is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.

The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance.

Excess demat Equity Shares or unaccepted demat Equity 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 Shareholder Broker’s depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian depository pool account.

Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):

- 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 has expired; and
- iii. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

20.26 Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in the Physical form

In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144, dated July 31, 2020 the physical shareholders are allowed to tender their shares in the Buyback through Tender Offer route. However, such tendering shall be as per the provisions of the Buyback Regulations.

Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include:

- a) The Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares.
- b) Original share certificates
- c) Valid share transfer form(s) 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 favor of the Company.

- d) Self-attested copy of the PAN Card(s) of all Shareholders.
- e) Any other relevant documents such as (but not limited to):
 - i. Duly attested Power of Attorney if any person other than the Eligible Shareholder has signed the relevant Tender Form
 - ii. Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased
 - iii. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
- f) 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.

Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the 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 Shareholder Broker shall provide a TRS generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.

Any Shareholder Broker who places a bid for physical Equity Shares, is required to deliver Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in Paragraph hereinabove) either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer not later than 2 (two) days from the Buyback Closing Date i.e. [●] (by 5 P.M.). The envelope should be superscribed as “NALCO Buyback 2021”. One copy of the TRS will be retained by Registrar to the Buyback Offer and it will provide acknowledgement of the same to the Shareholder Broker.

Eligible Shareholders holding physical shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard.

Registrar to the Buyback Offer will verify such bids based on the documents submitted on a daily basis and till such verification, NSE shall display such bids as ‘unconfirmed physical bids’. Once Registrar to the Buyback Offer confirms the bids, they will be treated as ‘Confirmed Bids’.

In case any person has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback Offer before the Buyback Closing Date.

20.27 Additional requirements in respect of tenders by Non-resident shareholders

- a) While tendering their Equity Shares under the Buyback Offer, all Eligible Shareholders being Non-resident Shareholders should 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) FII/FPI shareholders should also enclose a copy of their SEBI registration certificate.
- c) In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholders should enclose documents in support of the same. Such documents should include:
 - a copy of the permission received by them from RBI at the time of the original acquisition of Shares
 - a letter from the Shareholder’s authorized 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 as specified by RBI in its approval.
 - Any other document which evidences repatriability of sale proceeds in respect of the tendered Shares.

In case the Non-resident shareholder is not in a position to produce supporting documents towards enabling repatriation, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident 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 Shares accepted under the Offer i.e. by way of credit to a non-repatriation bank account or issuance of Rupee demand draft.

- 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 Offer are liable to be rejected.

20.28 The instructions and authorizations contained in the Tender Form constitute an integral part of the terms of this Buyback Offer.

20.29 Acceptance of orders

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

20.30 Method of Settlement

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

- (i) The Company will transfer the funds pertaining to the Buyback to the Company's Broker bank account, who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Equity Shareholders will receive funds pay-out in their bank account from the Clearing Corporation.
- (ii) The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the NSE.
- (iii) The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
- (iv) If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian participant. Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. 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 by the shareholder in the Buyback.
- (v) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
- (vi) The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (vii) The settlements of fund obligation for Demat and Physical Shares shall be affected as per the SEBI circulars and as prescribed by NSE and 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 Shareholder

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 the Reserve Bank of India ("RBI")/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.

- (viii) Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.
- (ix) The Equity Shares lying to the credit of the Demat Escrow Account will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

20.31 Settlement of Funds/Payment Consideration

The settlements of fund obligation for dematerialised and physical Equity Shares shall be effected as per the SEBI circulars and as prescribed by Exchange and Clearing Corporation from time to time.

For Equity Shares accepted under the Buyback, the Eligible Shareholders holding Equity Shares in dematerialised form will receive funds payout in the Shareholder's bank account as provided by the Depository system from Clearing Corporation and in case of physical shares the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market pay out mechanism. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any issue then such funds will be transferred to the concerned Shareholder Brokers' settlement bank account for onward transfer to their respective Eligible Shareholders.

20.32 Special Account opened with the Clearing Corporation

The details of transfer of the dematerialised Equity Shares to the special account by trading member or custodians shall be informed in the issue opening circular that will be issued by the NSE or NCL.

20.33 Rejection Criteria

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

For Eligible Shareholders holding shares in the dematerialized form if:

- a. the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or
- b. if there is a name mismatch in the dematerialised account of the Shareholder; or
- c. 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
- d. 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.

For Eligible Shareholders holding Equity Shares in the physical form if:

- a. The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of [●], 2021 ([●]) by 5:00 p.m.;
- b. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c. If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d. If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or

- e. In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

21. NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the 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. 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.

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

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). 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.

Section 10(34A) of the ITA provided for exemption to a shareholder in respect of income arising from buy-back 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 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.

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 shares in case of resident shareholders/ deemed resident shareholders.

Given that income arising on account of the buy-back of 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.

5. SECURITIES TRANSACTION TAX

Since the Buyback of 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.

Caveat:

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.

22. DECLARATION BY THE BOARD OF DIRECTORS

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

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. January 27, 2021. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, in terms of resolutions dated January 27, 2021, the Buyback Committee has confirmed on behalf of Board of Directors that:

- i. The Board of Directors of the Company confirms that no defaults have been made or subsisting in the repayment of deposits accepted either before or after the commencement of the Companies Act, 2013, interest payment thereon, redemption of debentures or interest payment thereon redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loans or interest payable thereon to any financial institutions or banking company.
- ii. The Board of Directors of the Company confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
 - a. Immediately following the date of the Board Meeting on January 27, 2021 and the date of this Draft Letter of Offer, there will be no grounds on which the Company can be found unable to pay its debts;
 - b. As regards the Company's prospects for the year immediately following the date of the Board Meeting and the date of this Draft Letter of Offer, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said 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 approving the Buyback and within a period of one year from the date of this Draft Letter of Offer, as the case may be;
 - c. In forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or the Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities.

This declaration is made and issued by the Buyback committee (under the authority of the Board of Directors) in terms of the resolution passed at its meeting held on February 04, 2021.

For and on behalf of the **Board of Directors of Company**

Sd/- Sridhar Patra Chairman cum Managing Director (DIN: 06500954)	Sd/- Pradip Kumar Mishra Director (Finance) (DIN: 06445517)
---	---

23. AUDITORS CERTIFICATE

The text of the report dated January 27, 2021 received from M/s Patro & Co and M/s GNS & Associates, Chartered Accountants, the Joint Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

Quote:

To,
The Board of Directors
National Aluminium Company Limited
(A Govt. of India Enterprise)
Nalco Bhawan
Plot No. P/1, Nayapalli
Bhubaneswar – 751 013

Dear Sirs,

Sub: Proposed buyback of Equity Shares not exceeding 10% of the aggregate of equity share capital and free reserves as at March 31, 2020, on a proportionate basis (the “Buyback”), from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism by National Aluminium Company Limited (the “Company”)

We, Patro & Co. and GNS & Associates, Chartered Accountants, the Joint Statutory Auditors of the Company, have been informed that the Board of Directors of National Aluminium Company Limited (the “Company”) in their meeting held on January 27, 2021 have decided to buy back Company’s fully paid up equity shares as allowed under Section 68, 69 and 70 of the Companies Act, 2013 the Companies (Share Capital and Debenture) Rules, 2014 and subsequent amendments thereof and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended, (“Buyback Regulations”) at a price of Rs. 57.50 per share. In terms of the requirements of Clause (xi) of Schedule I of the Buyback Regulations, we confirm as under:

- (i) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated accounts for the year ended March 31, 2020, as approved by the Board of Directors in the meeting held on 26th June, 2020, and limited review standalone and consolidated financial results for the six months period ended September 30, 2020 as approved by the Board of Directors in their meeting held on 11th November, 2020;
- (ii) The amount of permissible capital payment towards buy-back of equity shares (including premium) as ascertained below in our view has been properly determined in accordance with Section 68 (2) (c) of the Companies Act, 2013 and Buyback Regulations:

Particulars	Amount (in Rs) As on March 31, 2020	
	Standalone	Consolidated
Issued, subscribed and fully paid up equity shares:		
186,56,17,498 Equity Shares of Rs. 5/- each, fully paid up	932,80,87,490	932,80,87,490
Total- A	932,80,87,490	932,80,87,490
Free Reserves		
General reserve	8112,98,62,686	8113,09,62,686
Retained Earnings	516,83,03,215	515,14,03,215
Total- B	8629,81,65,901	8628,23,65,901
Total C= A+B	9562,62,53,391	9561,04,53,391
Maximum amount permissible for the Buy-back i.e. 10% of the aggregate fully paid-up equity share capital and free reserves pursuant to Section 68(2) of the Act requiring Board Resolution.	956,26,25,339	956,10,45,339
Amount approved by the Board of Directors for buy-back in the meeting held on January 27, 2021	749,10,47,273	

- (iii) Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration as approved by the Board of Directors in their meeting held on January 27, 2021, is unreasonable in all the circumstances in the present context.
- (iv) The Board of Directors in their meeting held on January 27, 2021, have formed the opinion in terms of Clause (xi) of Schedule I of the Buyback Regulations, on reasonable grounds that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date.

The compliance with the provisions of the Companies Act, 2013 and Buyback Regulations is the responsibility of the Company's management. Our responsibility is to report on the amount of permissible capital for the buyback and report that the audited accounts on the basis of which calculation with reference to buyback is done and read the resolution of the Board of Directors for the meeting held on January 27, 2021 referred to in paragraph (i) and (iv) above.

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable the Board of Directors of the Company to include it in Public Announcement, draft letter of offer and letter of offer to be circularised to the shareholders and filed with various regulatory agencies and providing to parties including the Manager to the offer, in connection with Buyback and should not be used for any other purpose or by any other person.

Yours faithfully,
For Patro & Co.,
Chartered Accountants
Firm Regn. No. 310100E
Sd/-
(CA Ambika Prasad Mohanty)
Partner
Membership No: 057820
UDIN: 20157820AAAABY7386

Place: Bhubaneswar
Date: January 27, 2021

Yours faithfully,
For GNS & Associates.,
Chartered Accountants
Firm Regn. No. 318171E
Sd/-
(CA Rajesh Kumar Pahadi)
Partner
Membership No: 058221
UDIN: 20158221AAAAAE9205

Place: Bhubaneswar
Date: January 27, 2021

Unquote

24. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of National Aluminium Company Limited at the Registered Office: Nalco Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar -751013, Odisha, India, from 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays during the Tendering Period.

- i. Copy of the Certificate of Incorporation;
- ii. Memorandum and Articles of Association of NALCO;
- iii. Copy of the annual reports of NALCO for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 and unaudited financial results approved by Board of Directors for the six months ended September 30,2020;
- iv. Certified true copy of the resolution passed by the Board of Directors at the meeting held on January 27, 2021 approving proposal for Buyback;
- v. Copy of Report dated January 27, 2021 received from M/s Patro & Co. and M/s GNS & Associates, Chartered Accountants, the Joint Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;
- vi. 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, 2013;
- vii. SEBI Comments vide letter no.[●] dated [●];
- viii. Copy of Escrow Agreement dated [●], 2021 between NACLO, ICICI Bank Limited and IDBI Capital Markets & Securities Limited;
- ix. Copy of the certificate from M/s Patro & Co. and M/s GNS & Associates, Chartered Accountants, dated January 28, 2021 certifying that the Company has adequate funds for the purposes of Buyback;
- x. Copy of Public Announcement dated January 28, 2021, published in the newspapers on January 29, 2021 regarding Buyback of Equity Shares; and
- xi. Opinion dated January 23, 2021 obtained by the Company on taxation.

25. CONTACT DETAILS OF COMPLIANCE OFFICER

Shri Nayan Kumar Mohanty,
GM & Company Secretary and Compliance Officer
National Aluminium Company Limited
Nalco Bhawan, Plot No. P/1, Nayapalli,
Bhubaneswar-751013,
Odisha, India
Tel: +91 (0674) 2300 677
Email: company_secretary@nalcoindia.co.in

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays.

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

- i. In case of any grievances relating to the Buyback (i.e. non-receipt of the Buyback consideration, Share certificate, demat credit, etc.) the investor can approach the Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.
- ii. If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013, or the rules made 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, 2013.
- iii. The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies (Cuttack)
Corporate Bhawan, 2 & 3rd Floor,
Plot No. 9 (P), Sector-1,
CDA, Cuttack-753014, Odisha

27. DETAILS OF INVESTOR SERVICE CENTRES

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Sunday and Public Holiday from 10:00 a.m. IST to 5:00 p.m. IST i.e. Monday to Friday and from 10:00 a.m. IST to 1:00 p.m. IST on Saturday, at the following address:



KFin Technologies Pvt. Ltd.

Selenium, Tower B,
Plot No-31 and 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi - 500 032,
Telangana, India

Contact Person: Mr. M. Murali Krishna

Tel.: +91 40 6716 2222

Fax.: +91 40 2343 1551

Toll free number: 18003454001

Email: nalco.buyback2021@kfintech.com

Investor grievance e-mail: einward.ris@kfintech.com

Website: www.kfintech.com

SEBI Registration Number: INR000000221

Validity Period: Permanent

CIN: U72400TG2017PTC117649

28. MANAGER TO THE BUYBACK OFFER



IDBI Capital Markets & Securities Limited

6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005

Tel No.: +91 22 2217 1700;

Fax No.: +91 22 2215 1787;

Contact Person: Mr. Sumit Singh

Email: nalco.buyback2021@idbicapital.com;

Website: www.idbicapital.com

SEBI Registration Number: INM000010866;

Validity Period: Permanent

Corporate Identity Number: U65990MH1993GOI075578

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

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Draft Letter of Offer and confirms that the information in this Draft Letter of Offer contain true, factual and material information and does not contain any misleading information. The Draft Letter of Offer is issued under the authority of the Board of Directors by the Buyback Committee through Resolution passed by the Buyback Committee meeting held on February 04, 2021.

For and on behalf of the Board of Directors of **National Aluminium Company Limited**

Sd/-
Sridhar Patra
Chairman cum Managing Director

(DIN: 06500954)

Sd/-
Pradip Kumar Mishra
Director (Finance)

(DIN: 06445517)

Sd/-
Nayan Kumar Mohanty
GM & Company Secretary
and Compliance Officer
(M. Number: F3099)

Place: Bhubaneswar

Date: February 04, 2021

Enclosure:

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

**ANNEXURE I - TENDER FORM FOR ELIGIBLE SHAREHOLDERS HOLDING – SHARES IN DEMAT FORM
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

Bid Number:
Date:

BUYBACK OPENS ON:	●
BUYBACK CLOSSES ON:	●
For Registrar use	
Inward No.	Date
	Stamp

Status: Please tick appropriate box					
<input type="checkbox"/>	Individual	<input type="checkbox"/>	Foreign Institutional Investors/ Foreign Portfolio Investors	<input type="checkbox"/>	Insurance Company
<input type="checkbox"/>	Foreign Company	<input type="checkbox"/>	Non Resident Indian / OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/ LLP	<input type="checkbox"/>	Others (specify)

India Tax Residency Status: Please tick appropriate box

Resident in India Non-Resident in India Resident of _____ (Shareholder to fill the country of residence)

Route of Investment (For NR Shareholders only)

Portfolio Investment Scheme Foreign Investment Scheme

To,
The Board of Directors
National Aluminium Company Limited

C/o. KFin Technologies Pvt. Ltd.
Selenium, Tower B, Plot No-31 and 32, Financial District
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi - 500 032, Telangana, India
Tel No: +91 40 6716 2222; Fax: +91 40 2343 1551; Toll free number: 18003454001

Dear Sirs,

Sub: Letter of Offer dated |●| to Buyback not exceeding 13,02,79,083 Equity Shares of National Aluminium Company Limited (the “Company”) at a price of Rs 57.50 (Rupees Fifty Seven And Fifty Paise Only) per Equity Share (“Buyback Offer Price”), payable in cash (“Buyback”)

- I/We having read and understood the Letter of Offer dated |●| 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 authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm and warrant that the Equity Shares comprised in this tender / offer are offered for Buyback by me / us are free from all liens, equitable interest, charges and encumbrance.
- I / We declare and warrant that there are no restraints / injunctions or other order(s)/ 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/ offer the Equity Shares for the Buyback.
- I/We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism. The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buyback being on a proportionate basis in terms of the Ratio of Buyback.
- Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on the Record Date
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI.
- I/We agree that the excess demat Shares or unaccepted demat Shares, if any, tendered would be returned to the Eligible Shareholder as per the provision of Buyback Regulations and circulars issued by SEBI.
- I / We undertake 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, 2013 and rules made thereunder and the Buyback Regulations.
- Details of Equity Shares held and tendered / offered for Buyback Offer:

	In Figures	In Words
Number of Equity Shares held as on Record Date (February 08, 2021)		
Number of Equity Shares entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (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 19 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-----
Acknowledgement Slip: National Aluminium Company Limited – Buyback Offer
(to be filled by the Eligible Shareholder) (subject to verification)

DP ID: _____

Client ID _____

Received from Shri./ Smt. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

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

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

Name of the Depository (tick whichever is applicable)	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL
Name of the Depository Participant		
DP ID No.		
Client ID No. with the Depository Participant		

11. Equity Shareholders Details:

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

*Corporate must affix rubber stamp and sign

Applicable for all Non- resident Shareholders-

- I / We undertake to pay income taxes in India on any income arising on such Buyback in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Equity Shares are bought back by the Company. 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 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 / Offer Form

- This Buyback offer will open on [●] and close on [●].
- The Equity Shares tendered in the Buyback shall be rejected if (i) the tenderer is not a Eligible Shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the Shareholder; or (iii) if the Eligible Shareholder has made a duplicate bid.
- Eligible Shareholder is required to transfer the Equity Shares under the Buyback Offer to Clearing Corporation, by using the settlement number through the early pay-in mechanism of depositories. This shall be validated by the Shareholder Broker at the time of order/bid entry. The details of the settlement number for the Buyback will be provided in a separate circular which shall be issued at the time of issue opening by Clearing Corporation/ NSE.
- The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance. Excess demat Equity Shares or unaccepted demat Equity 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 Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant.
- The Tender Form and TRS is 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.
- For the procedure to be followed by Eligible Shareholders for tendering in the Buyback, please refer to "Procedure for Tender Offer and Settlement" on page [●] of the Letter of Offer.
- 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 such Eligible Shareholder, stating the name of the Eligible Shareholder, address of the Equity Shareholder, number of Equity Shares held, Client ID number, DP name, DP ID number and number of Equity Shares tendered. Eligible Shareholders have to ensure that their bid is entered in the electronic platform to be made available by the NSE before the closure of the Buyback.
- In case any registered entity 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, shall file a copy of the following documents: (i) approval from the appropriate authority for such merger, (ii) the scheme of merger, and (iii) the requisite form filed with MCA intimating the merger.
- Eligible Shareholders to whom the Buyback offer is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback Entitlement, but not exceeding their holding as on the Record Date.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- By agreeing to participate in the Buy-back the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power 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.
- Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI).
- Eligible Sellers have to fill up the EVENT number issued by the 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 in the Buyback.
- 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 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, National Aluminium Company Limited- Buyback offer
KFin Technologies Pvt. Ltd.

Selenium, Tower B, Plot No-31 and 32, Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi - 500 032, Telangana, India.

Contact Person: M. Murali Krishna

Tel.: +91 40 6716 2222; **Fax.:** +91 40 2343 1551; **Toll free number:** 18003454001

Email: nalco.buyback2021@kfintech.com; **Investor grievance e-mail:** cinward.ris@kfintech.com;

Website: www.kfintech.com; **SEBI Registration Number:** INR000000221;

Validity Period: Permanent; **CIN:** U72400TG2017PTC117649

**ANNEXURE II - TENDER FORM FOR ELIGIBLE SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

Bid Number:
Date:

BUYBACK OPENS ON:	●
BUYBACK CLOSES ON:	●
For Registrar use	
Inward No.	Date
	Stamp

Status: Please tick appropriate box					
<input type="checkbox"/>	Individual	<input type="checkbox"/>	Foreign Institutional Investors/ Foreign Portfolio Investors	<input type="checkbox"/>	Insurance Company
<input type="checkbox"/>	Foreign Company	<input type="checkbox"/>	Non Resident Indian / OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/ LLP	<input type="checkbox"/>	Others (specify)

India Tax Residency Status: Please tick appropriate box

Resident in India Non-Resident in India Resident of _____ (Shareholder to fill the country of residence)

Route of Investment (For NR Shareholders only)

Portfolio Investment Scheme Foreign Investment Scheme

To,
The Board of Directors
National Aluminium Company Limited
C/o. KFin Technologies Pvt. Ltd.
Selenium, Tower B, Plot No-31 and 32, Financial District
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi - 500 032, Telangana, India
Tel No: +91 40 6716 2222; Fax: +91 40 2343 1551; Toll free number: 18003454001

Dear Sirs,

Sub: Letter of Offer dated [●] to Buyback not exceeding 13,02,79,083 Equity Shares of National Aluminium Company Limited (the "Company") at a price of Rs 57.50/- (Rupees Fifty Seven And Fifty Paise Only) per Equity Share ("Buyback Offer Price"), payable in cash ("Buyback")

- I/We having read and understood the Letter of Offer dated [●] 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 authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm and warrant that the Equity Shares comprised in this tender / offer are offered for Buyback by me / us are free from all liens, equitable interest, charges and encumbrance.
- I / We declare and warrant that there are no restraints / injunctions or other order(s)/ 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/ offer the Equity Shares for the Buyback.
- I/We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism.
- Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on the Record Date.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI.
- 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 undertake 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, 2013 and rules made thereunder and the Buyback Regulations.
- Details of Equity Shares held and tendered / offered for Buyback Offer:

	In Figures	In Words
Number of Equity Shares held as on Record Date (February 08, 2021)		
Number of Equity Shares entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (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 19 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-----
Acknowledgement Slip: National Aluminium Company Limited – Buyback Offer
(to be filled by the Eligible Shareholder) (subject to verification)

Folio No.: _____

Received from Shri./ Smt. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buyback (In Figures) _____ (In Words) _____

Please quote Folio No. for all future correspondence

STAMP OF BROKER

10. Details of Share Certificate(s) enclosed: _____ Total No. of Share Certificate Submitted: _____

Sr. No.	Folio No.	Share Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
1.					
2.					
3.					
4.					
Total					

In case the number of folios and Equity Share certificates enclosed exceed four, please attach a separate sheet giving details in the same format as above

11. Details of other documents (Please ✓ as appropriate, if applicable) enclosed:

	Power of Attorney – National Aluminium Company Limited		Previous RBI approvals for acquiring the Equity Shares of National Aluminium Company Limited tendered in the Buyback
	Corporate authorizations		Death Certificate
	Succession Certificate		Self attested copy of Permanent Account Number (PAN Card)
	TRS		Others (please specify):

12. Details of the bank account of the sole or first 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)

13. Equity Shareholders Details:

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

* Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application from submitted.

Applicable for all Non- resident Shareholders-

- I / We undertake to pay income taxes in India on any income arising on such Buyback in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Equity Shares are bought back by the Company. 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 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 / Offer Form

- This Buyback offer will open on [●] and close on [●].
- 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 favour 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.
- Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding the number of Shares held by them as on Record Date.
- 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, if any person other than the Eligible Shareholder has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Shareholder is deceased; and (iii) Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
- 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 not later than 2 (two) days from the Buy-back Closing Date i.e. [●] by 5:00 pm.
- 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: (i) Approval from the appropriate authority for such merger; (ii) the scheme of merger; and (iii) the requisite form filed with MCA intimating the merger.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 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 enclosed with the Tender Form instead of the Equity Share certificate 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 Shareholder; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.
- The Equity Shares tendered in the buyback shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company on the Record Date; (ii) if there is a name mismatch in the share certificate of the Shareholder; or (iii) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of [●] by 5:00 p.m.
- By agreeing to participate in the Buy-back the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power 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.
- Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI).
- All capitalised items 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 FOLIO NO.:

Investor Service Centre, National Aluminium Company Limited- Buyback offer
KFin Technologies Pvt. Ltd.

Selenium, Tower B, Plot No-31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi - 500 032, Telangana, India.

Contact Person: M. Murali Krishna

Tel.: +91 40 6716 2222; **Fax.:** +91 40 2343 1551; **Toll free number:** 18003454001

Email: nalco.buyback2021@kfintech.com; **Investor grievance e-mail:** einward.ris@kfintech.com;

Website: www.kfintech.com; **SEBI Registration Number:** INR000000221; **Validity Period:** Permanent; **CIN:** U72400TG2017PTC117649

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: L27203OR1981GOI000920

Name of the company (in full): National Aluminium Company Limited

Name of the Stock Exchange where the company is listed, if any: BSE Limited and National Stock Exchange of India 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.5.00	Rs.5.00	Rs.5.00

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	PAN	Signature (s)
1.		
2.		
3.		

I, hereby confirm that the Transferor has signed before me.

Signature of the Witness	
Name of the Witness	
Address of Witness	

TRANSFEEE'S PARTICULARS

	1
Name in full	National Aluminium Company Limited
Father's/ Mother's/ Spouse Name	Not Applicable
Address, Mobile/Ph. No. E-mail ID	Registered Office: Nalco Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar -751013, Odisha, India Telfax: +91 (0674) 2300 677 E-mail: company_secretary@nalcoindia.co.in
Occupation	Business
Existing folio no., if any	
Signature	

Folio No. of Transferee: _____

Specimen Signature of Transferee(s)

1. _____
2. _____
3. _____

Existing Folio No. If any

1. _____
2. _____

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:

--

For office use only

Checked by _____
Signature tallied 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. _____