

December 15, 2017

To,
BSE Limited
Pheeroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400 001

Dear Sir/Madam,

Sub: Proposed offer of Saraswati Commercial (India) Limited (“Company”) to buy-back up to 60,000 (Sixty Thousand) fully paid-up Equity Shares of the Company of face value of Rs. 10/- (Rupees Ten Only) each at a price of Rs. 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share on a proportionate basis through Tender Offer (“Buyback”).

This has reference to the captioned Buyback and further to our letter dated December 11, 2017 for submission of Public Announcement.

Please find enclosed the following:

- Hard copy of the Draft Letter of Offer dated December 15, 2017 (“DLOF”)
- Soft copy of the DLOF on a compact disk in a pdf format.

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

Thanking you,

Yours faithfully,

For Inga Capital Limited

K. R. Shah



Kavita Shah
Director

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of Saraswati Commercial (India) Limited (“**Company**”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (“**Buyback Regulations**”). If you require any clarification about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buyback i.e. Inga Capital Limited or the Registrar to the Buyback i.e. TSR Darashaw Limited. Please refer to the section on “**Definition of Key Terms**” for the definition of the capitalized terms used herein.

SARASWATI COMMERCIAL (INDIA) LIMITED

Registered Office: 209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021;

Tel. No.: +91 22 6670 8600; **Fax No.:** +91 22 6670 8650; **Email:** saraswati.investor@gcvl.in;

Corporate Identity Number (CIN): L51909MH1983PLC166605;

Website: www.saraswaticommercial.com; **Contact Person:** Avani Sanghavi, Company Secretary & Compliance Officer.

Cash offer to buyback up to 60,000 (Sixty Thousand) fully paid-up equity shares of the Company of face value ₹ 10/- (Rupees Ten Only) each (“**Equity Shares**”), representing up to 5.82% of the total number of Equity Shares of the Company, from all the equity shareholders/beneficial owners of the Company who holds Equity Shares as on the record date i.e. Friday, December 22, 2017 (“**Record Date**”), on a proportionate basis, through the tender offer using stock exchange mechanism (“**Tender Offer**”), at a price of ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share (“**Buyback Price**”) for an aggregate maximum amount of up to ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only) (“**Buyback Size**”) excluding the Transaction Cost (“**Buyback**” or “**Buyback Offer**”).

1. The Buyback is in accordance with Section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 as amended and the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable and in compliance with the Buyback Regulations, Article 84 of the Articles of Association of the Company and is subject to other approvals, permissions and sanctions as may be required from time to time from any statutory and / or regulatory authority and which may be agreed to by the Board of Directors or committee authorised by the Board of Directors.
2. The Buyback Size of up to ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only), which represents 5.57% of the fully paid-up equity share capital and free reserves (including securities premium) as per latest consolidated audited balance sheet of the Company for the financial year ended March 31, 2017, is within the statutory limits of 10% (Ten Percent) of the fully paid-up share capital and free reserves (including securities premium) under the board of directors approval route as per the provisions of the Act.
3. The Letter of Offer shall be sent to the Eligible Sellers, being equity shareholders of the Company as on record date i.e. Friday, December 22, 2017.
4. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (“**Tender Form**”) will be enclosed together with the Letter of Offer.
5. For mode of payment of consideration to the Eligible Sellers, please refer to paragraph 20.25 of this Draft Letter of Offer.
6. A copy of the Public Announcement and the Letter of Offer (including the Tender Form) shall also be available on the website of Securities and Exchange Board of India - www.sebi.gov.in
7. Eligible Sellers are advised to refer to Details of the Statutory Approvals and Note on Taxation in paragraph 17 and paragraph 21 respectively, of this Draft Letter of Offer, before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK



Inga Capital Limited

(Formerly known as Inga Capital Private Limited)
Naman Midtown, 21st Floor, ‘A’ Wing, Senapati Bapat Marg,
Elphinstone (West), Mumbai 400 013, Maharashtra;

Tel. No.: +91 22 4031 3489;

Fax No.: +91 22 4031 3379;

Contact Person: Kavita Shah;

Email: saraswaticommercial@ingacapital.com;

Website: www.ingacapital.com;

SEBI Registration No: INM000010924*;

CIN: U74140MH1999PTC122493.

**In process of applying to SEBI for change of name*

REGISTRAR TO THE BUYBACK



TSR Darashaw Limited

6-10, Haji Moosa Patrawala Ind. Estate, 20, Dr. E. Moses Road,
Mahalaxmi, Mumbai – 400 011;

Tel. No.: +91 22 6656 8484;

Fax: +91 22 6656 8494;

Contact person: Mary George;

Email: saraswatibuyback17@tsrdarashaw.com;

Website: www.tsrdarashaw.com;

SEBI Registration Number: INR000004009;

CIN: U72400TG2003PTC041636.

BUYBACK OPENS ON: [●]

BUYBACK CLOSURES ON: [●]

LAST DATE / TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO BUYBACK: [●], [●]

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1. SCHEDULE OF ACTIVITIES

Activity	Day and Date
Date of the board meeting approving the proposal for Buyback of Equity Shares	Thursday, December 7, 2017
Date of publication of Public Announcement for the Buyback	Saturday, December 9, 2017
Record Date for determining the Buyback Entitlement and the names of Eligible Sellers	Friday, December 22, 2017
Buyback opens on / Buyback Opening Date	[●]
Buyback closes on / Buyback Closing Date	[●]
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar to Buyback	[●]
Last date of verification by Registrar to Buyback	[●]
Last date of intimation to the stock exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar and Manager to the Buyback	[●]
Last date of settlement of bids on the stock exchange	[●]
Last date of dispatch of share certificate(s) by Registrar to Buyback / return of unaccepted demat shares by Stock Exchange to Seller Member	[●]
Last date of extinguishment of Equity Shares bought back	[●]

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 and Companies Act, 1956, to the extent applicable, as amended and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares tendered by Eligible Sellers in the Buyback
Act	The Companies Act, 2013 and Companies Act, 1956, to the extent applicable.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the designated stock exchange in the form of a separate window in accordance with SEBI circulars no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notices no. 20170202-34 dated February 2, 2017 and 20170210-16 dated February 10, 2017.
Additional Equity Shares	Equity Shares tendered by an Eligible Seller over and above the Buyback Entitlement of such Eligible Seller such that total number of Equity Shares tendered do not exceed the Equity Shares held on the Record Date by such Eligible Seller
Articles	Articles of Association of the Company, as amended from time to time
Board / Board of Directors	Board of Directors of the Company
BSE / Stock Exchange	BSE Limited
Buyback Committee	Committee comprising of V V Sureshkumar, Director, Ritesh Zaveri, Director and Ms. Avani Sanghavi, Company Secretary of the Company, constituted and authorized for the purposes of the Buyback Offer vide resolution of the Board of Directors dated December 7, 2017
Buyback/ Buyback Offer	Offer by Saraswati Commercial (India) Limited to buyback up to 60,000 (Sixty Thousand) fully paid-up Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each at a price of ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share (including premium of ₹ 968/- per Equity Share) from Eligible Sellers, through the Tender Offer on a proportionate basis
Buyback Entitlement	The number of Equity Shares that an Eligible Seller is entitled to tender in the Buyback, based on the number of Equity Shares held by that Eligible Seller on the Record Date in the Ratio of Buyback as applicable in the category, to which such Eligible Seller belongs
Buyback closes on / Buyback Closing Date	[●]
Buyback opens on / Buyback Opening Date	[●]
Buyback Price	Price at which Equity Shares will be bought back from the Eligible Sellers i.e. ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share, payable in cash
Buyback Regulations	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time
Buyback Size	Number of Equity Shares proposed to be bought back (i.e. up to 60,000 Equity Shares) multiplied by the Buyback Price (i.e. ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share) aggregating to maximum amount of up to ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only)
Company	Saraswati Commercial (India) Limited
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, as amended and to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant

Term	Description
	rules made thereunder
Company's Broker	Antique Stock Broking Limited
Compliance Officer	Avani Sanghavi, Company Secretary & Compliance Officer
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	BSE Limited
DP	Depository Participant
Draft Letter of Offer / DLOF	This Draft Letter of Offer dated December 15, 2017 filed with SEBI
Eligible Seller(s)	All Equity Shareholders holding Equity Shares as on the Record Date being Friday, December 22, 2017 and who are eligible to participate in the Buyback in terms of this DLOF
Equity Shares	Fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten Only) each of the Company
Equity Shareholder(s)	Holders of the Equity Shares and includes beneficial owners thereof
Escrow Account	The Escrow Account titled "[●]" to be opened with Escrow Agent in terms of the Escrow Agreement (as defined below)
Escrow Agent	[●]
Escrow Agreement	The escrow agreement dated [●] entered into between the Company, Escrow Agent and Manager to the Buyback
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
General Category	Category of Eligible Seller(s) other than the Small Shareholders
HUF	Hindu Undivided Family
IT Act / Income Tax Act	Income Tax Act, 1961, as amended from time to time
Letter of Offer / LoF	The 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 DLOF
Manager to the Buyback / Manager	Inga Capital Limited (Formerly known as Inga Capital Private Limited)
MOA	Memorandum of Association of the Company, as amended from time to time
Non-Resident Shareholders	Equity Shareholders other than resident Equity Shareholders including Non-Resident Indians (NRI), Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI), erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals
Non-Resident Indians / NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the meaning as prescribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
Offer Period / Tendering Period / Buyback Offer Period	Period of Ten (10) Working Days from the Buyback Opening Date i.e. [●] till Buyback Closing Date i.e. [●] (both days inclusive)
Promoter and Promoter Group	Promoter and Promoter Group including person in control are collectively referred to as Promoter and Promoter Group namely Ashwin Kumar Kothari, Ashwin Kumar Kothari (Smaller) HUF, Ashwin Kumar Kothari (HUF), Panna Lal C Kothari HUF, Rohit Kothari, Harisingh Shyamsukha, Meena A Kothari, Niyati Parish Mehta, Winro Commercial (India) Limited, Four Dimensions Securities (India) Limited, Four Dimensions Commodities Private Limited, Sam-Jag-Deep Investments Private Limited and Geecee Investments Limited
Public Announcement / PA	Public announcement dated December 8, 2017 (Friday) in relation to the Buyback made by the Company which was published on December 9, 2017 (Saturday) in Financial Express (English national daily - All Edition), Jansatta (Hindi national daily - All Edition) and Navshakti (Regional language daily - Marathi Edition)
PAN	Permanent Account Number
Ratio of Buyback	The ratio of the buyback for the Equity Shares held by Eligible Sellers as on

Term	Description
	Record Date: (i) in case of Small Shareholders, [●] Equity Shares for every [●] Equity Shares; and (ii) in case of Eligible Sellers other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Sellers to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback in accordance with the Buyback Regulations and in terms of this Draft Letter of Offer. The Record Date for the Buyback is Friday, December 22, 2017
Registrar to the Buyback / Registrar	TSR Darashaw Limited
Reserved Category	Category of the Small Shareholders eligible to tender Equity Shares in the Buyback
SEBI	Securities and Exchange Board of India
Seller Member	A stock broker (who is a member of the BSE) of an Eligible Seller, through whom the Eligible Seller may participate in the Buyback
Small Shareholder	An Eligible Seller who holds Equity Shares of market value not more than ₹ 2,00,000/- (Rupees Two Lakhs Only) on the basis of closing price on BSE on the Record Date.
Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in and sent to the Registrar by the Eligible Sellers to participate in the Buyback
Tender Offer	Method of Buyback as defined in Regulation 2(1)(o) read with Regulation 9(3A) of the Buyback Regulations using stock exchange mechanism
TRS	Transaction Registration Slip
U.S.	United States / United States of America
Working Day(s)	Any working day of SEBI

3. DISCLAIMER CLAUSE

- 3.1. As required, a copy of this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buyback, i.e. Inga Capital 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 Act and Buyback Regulations. This requirement is to facilitate Eligible Sellers to take an informed decision for tendering their Equity Shares in the Buyback.
- 3.2. It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, has furnished to SEBI a Due Diligence Certificate dated December 15, 2017 in accordance with Buyback Regulations, which reads as follows:
- “We have examined various documents and materials relevant to the Buyback as part of the due diligence carried out by us in connection with the finalization of the public announcement dated December 8, 2017 (the “**Public Announcement**”) and the draft letter of offer dated December 15, 2017 (“**DLOF**”). On the basis of such examination and the discussions with the Company, we hereby state that:
- The Public Announcement and the DLOF are in conformity with the documents, materials and papers relevant to the Buyback;
 - All the legal requirements connected with the said Buyback including the SEBI (Buy Back of Securities) Regulations, 1998, as amended, have been duly complied with;
 - The disclosures in the Public Announcement and the DLOF are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buyback;
 - Funds used for Buyback shall be as per the provisions of the Companies Act, 2013 and the Companies Act, 1956, to the extent applicable.”
- 3.3. The filing of Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Act, or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Buyback.
- 3.4. The Promoter and Promoter Group and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Sellers has been suppressed, withheld and / or incorporated in the manner that would amount to mis-statement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed, withheld and / or amounts to a mis-statement or misrepresentation, the Promoter and Promoter Group and Directors and the Company shall be liable for penalty in terms of the provisions of the Act and the Buyback Regulations.
- 3.5. The Promoter and Promoter Group and Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.
- 3.6. **NO OFFER TO SUBSCRIBE / PURCHASE / SELL, OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL, ANY SECURITIES OF THE COMPANY OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL ANY SECURITIES OF THE COMPANY INCLUDING THE EQUITY SHARES IS MADE IN A JURISDICTION, OTHER THAN INDIA, WHERE IT IS ILLEGAL, OR ANY ACTION OR APPROVAL IS REQUIRED, TO MAKE THIS BUYBACK**
- a) The Public Announcement that was published on December 9, 2017 and this Draft Letter of Offer in connection with this Buyback, has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time. Accordingly, the information disclosed 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 the Letter of Offer. This Draft Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe / purchase / sell, any securities of the Company in any jurisdiction or as a solicitation or an invitation in any form to subscribe / purchase / sell any securities including the Equity Shares of the Company.

- b) No action has been or will be taken by the Company or Manager to the Buyback to permit the Buyback in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all the Equity Shareholders whose names appear in the register of members of the Company, on the Record Date. However, receipt of the Letter of Offer by any Eligible Seller in a jurisdiction in which it would be illegal to make this Buyback, or where making this Buyback would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws of any jurisdiction outside of India), shall not be treated by such Eligible Seller as an offer or invitation to offer being made to them and shall be construed by them as being sent for information purposes only.
- c) Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Seller 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.
- d) **The Buyback is being made for securities of an Indian company and is subject to the laws of India. It is important for U.S. securities holders to be aware that this Draft Letter of Offer is subject to tender offer laws and regulations in India that are different from those in the U.S. and has been prepared in accordance with Indian law, format and style, which differs from customary U.S. format and style. This Draft Letter of Offer, does not in any way, constitute an offer to sell, or an invitation to sell, or buy any securities in the United States of America, or in any other jurisdiction in which offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe such restrictions.**

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

“RESOLVED THAT pursuant to the provisions of Article 84 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (**“Companies Act”**), applicable rules made thereunder, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (**“Buyback Regulations”**) and other applicable laws, if any, including any amendments, statutory modifications or re-enactments for the time being in force, and subject to all such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed while granting such approvals, permissions and sanctions by the appropriate authorities, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression shall be deemed to include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the approval of the Board be and is hereby accorded to the buyback by the Company of up to 60,000 fully paid-up equity shares of face value of Rs. 10/- (Rupees Ten Only) each of the Company (**“Equity Shares”**) representing up to 5.82% of the total number of equity shares of the Company at a price of Rs. 978/- (Rupees Nine Hundred and Seventy Eight Only) per Equity Share (**“Buyback Price”**) (including premium of Rs. 968/- per Equity Share) payable in cash for an aggregate amount of up to Rs. 58,680,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only) (excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc.) (**“Buyback Size”**), which is 5.57% of the fully paid-up equity share capital and free reserves (including securities premium) as per the latest consolidated audited balance sheet of the Company for the financial year ended March 31, 2017 on a proportionate basis through the tender offer (**“Tender Offer”**) as prescribed under the Buyback Regulations, to all of the equity shareholders / beneficial owners who hold Equity Shares as of a Record Date (as defined below) (**“Buyback”**). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (**“SEBI”**), fees and charges payable to BSE Limited (**“Stock Exchange”**), public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

RESOLVED FURTHER THAT Friday, December 22, 2017, shall be the Record Date for the purpose of the Buyback (**“Record Date”**).

RESOLVED FURTHER THAT all of the equity shareholders / beneficial owners of the Company who hold Equity Shares as on the Record Date will be eligible to participate in the Buyback including promoters and promoter group of the Company including person in control to the extent intended as per the letter of intention received from the promoters and promoter group including person in control.

RESOLVED FURTHER THAT the reservation of Equity Shares be made in the Buyback for small shareholders / beneficial owners of the Company as on Record Date in accordance with the provisions of the Buyback Regulations.

RESOLVED FURTHER THAT the Company shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, BSE notice no. 20170202-34 dated February 2, 2017 and BSE notice no. 20170210-16 dated February 10, 2017 and such other circulars or notifications as may be issued from time to time.

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

RESOLVED FURTHER THAT the amount required by the Company for the Buyback is intended to be met out of Company’s current balances of cash and cash equivalents and / or accumulated internal accruals (and not from any borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buyback Regulations, Ms. Avani Sanghavi, Company Secretary and Compliance Officer, be and is hereby severally appointed as the Compliance Officers for the Buyback.

RESOLVED FURTHER THAT draft of the Declaration of Solvency along with annexures including statement of assets and liabilities as at March 31, 2017 prepared in the prescribed form and supporting affidavit and other documents in terms of Section 68(6) of the Act and Regulation 8(7) of the Buyback Regulations, as, placed before the meeting be and are hereby considered and approved and Mr. V V Sureshkumar, Director and Mr. Ritesh Zaveri, Director of the Company, be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies / Ministry of Corporate Affairs, Stock Exchange and the SEBI in accordance with applicable law.

RESOLVED FURTHER THAT the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- a) 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;
- b) as regards its prospects for the year immediately following that date of this Board Meeting having regard to the Board's intentions with respect of the management of the Company's business during that year and to the amount and character of the financial resources which will in its view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) in forming its opinion for the above purposes, the Board has taken into account the liabilities of the Company as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent not repealed) and the Companies Act, 2013 (to the extent notified) (including prospective and contingent liabilities).

RESOLVED FURTHER THAT the Board hereby confirms that:

- a) the Buyback Size i.e. Rs. 58,680,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only) do not exceed 10% of the paid-up equity share capital and free reserves as per the latest consolidated audited financial statements for the year ended March 31, 2017;
- b) all Equity Shares are fully paid-up;
- c) the Company shall not raise further capital for a period of one year from the closure of the Buyback, except in discharge of subsisting obligations;
- d) the Company shall not issue fresh shares or other specified securities during the Buyback period, whether by way of bonus issue or in the discharge of subsisting obligations, such as conversion of convertible loans, convertible instruments, stock options or otherwise;
- e) the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- f) the Company shall not buyback its Equity Shares from any person through negotiated deals whether on or off the Stock Exchange or through spot transactions or through any private arrangement in the implementation of the Buyback;
- g) there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loans or interest payable to any financial institution or banks;
- h) that the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;
- i) the Company shall not make any offer of buyback within a period of one year reckoned from the date of closure of the Buyback;
- j) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 1956 and Companies Act, 2013 to the extent applicable as on date; and
- k) After the Buyback, the ratio of the aggregate of secured and unsecured debts owed by the Company as on

March 31, 2017, shall not be more than twice the paid-up equity share capital and free reserves as on March 31, 2017, and as adjusted for Buyback.

RESOLVED FURTHER THAT that a committee (“**Buyback Committee**”) be constituted comprising of Mr. V V Sureshkumar, Director, Mr. Ritesh Zaveri, Director and Ms. Avani Sanghavi, Company Secretary of the Company, for the purposes of the Buyback and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its equity shareholders, including but not limited to:

- a) finalizing the terms of Buyback like the mechanism for the Buyback, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- d) preparation, signing and filing of public announcement, the draft letter of offer / letter of offer with the SEBI, Registrar of Companies, the Stock Exchange and other appropriate authority;
- e) To make any corrections, amendments, deletions, additions to the public announcement, draft letter of offer /letter of offer and any other advertisement and to give any information, explanation, declarations and confirmations in relation to the public announcement, draft letter of offer /letter of offer and any other advertisement, as may be required by the relevant authorities including SEBI and to file/publish/submit the revised public announcement, draft letter of offer /letter of offer and any other public notice as required by such relevant authorities;
- f) making all applications to the appropriate authority for their requisite approvals including approvals as may be required from the Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations framed there under, if any;
- g) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and / or Board, as required under applicable law;
- h) appoint any Merchant Bankers, Brokers, Registrars, Advertising Agency as may be required and enter into agreements / letters in respect thereof;
- i) 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 Company and equity shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, Registrar of Companies, Stock Exchange, Depositories and/or other appropriate authorities;
- j) obtaining all necessary certificates and reports from Statutory Auditors and other third parties as required under applicable law;
- k) dealing with Stock Exchange (including their clearing corporations) and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and such other circulars or notifications as may be issued from time to time.;
- l) to delegate all or any of the authorities conferred as above to any officer(s) / authorised representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as

may be suggested by the appropriate authorities or advisors.

- m) to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper;
- n) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback with any authorities involved;

RESOLVED FURTHER THAT Inga Capital Limited has been appointed as Manager to the Buyback.

RESOLVED FURTHER THAT any of the above Directors or the Company Secretary of the Company, be and are hereby severally authorised to sign and file certified copy of the resolution with the Registrar of Companies, Maharashtra, Mumbai, SEBI, Stock Exchange and any other regulatory authorities as may be required under the Companies Act and Buyback Regulations.

RESOLVED FURTHER THAT a copy of the foregoing resolution duly certified by any one of the Directors or the Company Secretary of the Company be furnished to the relevant / appropriate authorities on demand.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 8(1) of the Buyback Regulations, the Company has made the Public Announcement dated Friday, December 8, 2017 for the Buyback of Equity Shares which was published within two Working Days i.e. on Saturday, December 9, 2017 from the date of passing of the resolution at the meeting of the Board of Directors held on Thursday, December 7, 2017 in the following newspapers:

Name of the Newspaper	Language	Editions
Financial Express	English	All Editions
Navshakti	Marathi	Regional Edition
Jansatta	Hindi	All Editions

(A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in)

6. DETAILS OF THE BUYBACK

- 6.1. The Board of Directors of Saraswati Commercial (India) Limited (the Board of Directors of the Company hereinafter referred to as the “**Board**”), at their meeting held on December 7, 2017 (“**Board Meeting**”), pursuant to the provisions of Article 84 of Articles of Association of the Company and Section 68, 69 and 70 and all other applicable provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable and in compliance with the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or committee authorised by the Board, approved the Buyback of up to 60,000 (Sixty Thousand) Equity Shares (representing up to 5.82% of the total number of Equity Shares of the Company) at a price of ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) (including premium of ₹ 968/- per Equity Share) per Equity Share, payable in cash for an aggregate amount of up to ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only) excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc., (“**Transaction Cost**”) which represents 5.57% of the fully paid-up equity share capital and free reserves (including securities premium) as per latest audited consolidated balance sheet of the Company for the financial year ended March 31, 2017, on a proportionate basis through the tender offer as prescribed under the Buyback Regulations from all the equity shareholders/beneficial owners of the Company who hold Equity Shares as on the record date i.e. Friday, December 22, 2017. The Buyback Size does not include any other expenses incurred or to be incurred for the Buyback like filing fees payable to Securities and Exchange Board of India, fees and charges payable to Stock Exchange, Public Announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.
- 6.2. The funds permissible to be deployed for Buyback shall not exceed 10% of fully paid-up equity share capital and free reserves (including securities premium) of the Company under the Board approval route, as provided under the proviso to Section 68(2)(b) of the Act. The aggregate fully paid-up equity share capital and free

reserves (including securities premium) as per latest consolidated audited balance sheet of the Company for the financial year ended March 31, 2017 is ₹ 10,540.36 lakhs. Accordingly, the maximum amount that can be utilised in the present Buyback is ₹ 1,054.04 lakhs. The Company proposes to utilise an aggregate amount of up to ₹ 586.80 lakhs for the Buyback (excluding Transaction Cost) which is within the maximum amount as aforesaid and it represents 5.57% of fully paid-up equity share capital and free reserves (including securities premium) of the Company.

- 6.3. The shareholding of the Promoter and Promoter Group as on Board Meeting i.e. December 8, 2017 is given below:

Sr. No.	Promoter and Promoter Group	Number of Equity Shares Held	Percentage (%)
1.	Ashwin Kumar Kothari	64,849	6.29
2.	Ashwin Kumar Kothari (Smaller) HUF	63,029	6.12
3.	Ashwin Kumar Kothari (HUF)	63,006	6.11
4.	Panna Lal C Kothari HUF	54,125	5.25
5.	Rohit Kothari	44,742	4.34
6.	Harisingh Shyamsukha	11	0.00
7.	Meena A Kothari	20,540	1.99
8.	Niyati Parish Mehta	22,000	2.13
9.	Winro Commercial (India) Limited	1,77,584	17.23
10.	Four Dimensions Securities (India) Limited	2,05,787	19.97
11.	Four Dimensions Commodities Private Limited	31,000	3.01
12.	Sam-Jag-Deep Investments Private Limited	1,450	0.14
13.	Geecee Investments Limited	7,861	0.76
Total		7,55,984	73.35

- 6.4. As on December 8, 2017, none of the directors of the companies forming part of Promoter and Promoter Group hold any Equity Shares in the Company except the following:

Sr. No.	Name of Directors of Companies Forming Part of Promoter and Promoter Group	Number of Equity Shares Held in the Company	Percentage (%)
Winro Commercial (India) Limited			
1.	V V Sureshkumar	228	0.02
Sam-Jag-Deep Investments Private Limited			
1.	Meena A Kothari	20,540	1.99
Geecee Investments Limited			
1.	V V Sureshkumar	228	0.02

- 6.5. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Promoter Group have the option to participate in the Buyback. In this regard, some of the Promoter and Promoter Group have expressed their intention vide their letters dated December 7, 2017 to participate in the Buyback and offer up to an aggregate maximum number of 40,842 Equity Shares which has been detailed in paragraph 9.3 and 9.4 of this DLOF.
- 6.6. The pre Buyback shareholding as on December 8, 2017, of Promoter and Promoter Group of the Company is 73.35% of the fully paid-up equity share of the Company and assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion of their respective Buyback Entitlement, post-Buyback shareholding of Promoter and Promoter Group of the Company will be [●]% of the fully paid-up equity share of the Company. For details with respect to aggregate shareholding of Promoter and Promoter Group post-Buyback please refer paragraph 13.6 of this DLOF.
- 6.7. We confirm that on completion of the Buyback and depending upon the response of the Buyback the voting rights of the Promoter and Promoter Group in the Company may increase over the existing 73.35% holding of the total equity capital and voting rights of the Company. The Promoter and Promoter Group has undertaken that in case there is an increase in the voting rights of the Promoter and Promoter Group over 75%, necessary steps will be taken to reduce the shareholding of the Promoter and Promoter Group in accordance with the provisions contain in the Rule 19A(1) of the Securities Contract (Regulation) Rules, 1957, as amended so that

the Company is in due compliance with the minimum public shareholding requirement. Further, the Promoter and Promoter Group confirm that they have not voted in favour of resolution authorizing the Buyback under Section 68, 69 and 70 of the Companies Act, 2013.

7. AUTHORITY FOR THE BUYBACK

- 7.1. The Buyback is being undertaken by the Company in accordance with the provisions of Article 84 of Articles of Association of the Company and Section 68, 69 and 70 and all other applicable provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable and in compliance with the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or committee authorised by the Board in this regard.
- 7.2. The Buyback has been duly authorized by a resolution passed by the Board of Directors at their meeting held on December 7, 2017. Since the Buyback Size is less than 10% (ten percent) of the fully paid-up equity share capital and free reserves (including securities premium) of the Company under the board of directors approval route, as provided under the proviso to Section 68(2)(b) of the Act, the approval of the Equity Shareholders of the Company is not required.

8. NECESSITY OF THE BUYBACK

The Company has surplus cash and propose to utilize the cash reserve to buyback its Equity Shares and return the portion of the cash to the shareholders. It is also observed that the equity shares of Company are infrequently traded on the BSE limiting the opportunity for the shareholders to buy and sell Equity Shares. The buyback of Equity Shares shall also provide an opportunity to shareholders to offer their Equity Shares to the Company resulting in improvement in financial ratios and maximization of overall shareholders' value.

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

- 9.1. We believe that the Buyback is not likely to cause any material impact on the profitability / earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion of their respective Buyback Entitlement, the funds deployed by the Company towards the Buyback would be ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only).
- 9.2. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Promoter Group have the option to participate in the Buyback. In this regard, Promoter and Promoter Group vide their letters dated December 7, 2017, have expressed their intention to tender Equity Shares in the Buyback.
- 9.3. The maximum number of Equity Shares to be tendered by the Promoter and Promoter Group who have expressed their intention to tender Equity Shares in the Buyback is as under:

Sr. No.	Name of the Promoter and Promoter Group	Maximum Number of Equity Shares which may be tendered
1.	Ashwin Kumar Kothari	3,775
2.	Ashwin Kumar Kothari (Smaller) HUF	3,669
3.	Ashwin Kumar Kothari (HUF)	3,668
4.	Panna Lal C Kothari HUF	3,151
5.	Rohit Kothari	2,605
6.	Meena A Kothari	1,196
7.	Winro Commercial (India) Limited	10,339
8.	Four Dimensions Securities (India) Limited	11,981
9.	Geecee Investments Limited	458
Grand Total		40,842

9.4. Details of the date and price of the Equity Shares allotted/acquired/credited/transmitted to the Promoter and Promoter Group, which are intended to be tendered, are set-out as below:

a) Ashwin Kumar Kothari

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
January 22, 2013*	Transmission from Mrs. Savita Kothari	3,775	10/-	--	--
Total		3,775			--

* Date of credit in demat account

b) Ashwin Kumar Kothari (Smaller) HUF

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
September 10, 2001	Off Market Purchase	3,669	10/-	11.06	40,579/-
Total		3,669			40,579/-

c) Ashwin Kumar Kothari (HUF)

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
September 10, 2001	Off Market Purchase	3,668	10/-	11.06	40,568/-
Total		3,668			40,568/-

d) Panna Lal C Kothari HUF

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
May 28, 1997	Market Purchase	3,151	10/-	10.53	33,188/-
Total		3,151			33,188/-

e) Rohit Kothari

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
March 17, 1997	Off Market Purchase	2,605	10/-	4.68	12,191/-
Total		2,605			12,191/-

f) Meena A Kothari

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
September 3, 2001	Off Market Purchase	1,196	10/-	11.06	13,222/-
Total		1,196			13,222/-

g) Winro Commercial (India) Limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
May 29, 2017	Allotted Pursuant to Scheme of Amalgamation	10,339	10/-	105/-	10,85,590/-
Total		10,339			10,85,590/-

h) Four Dimensions Securities (India) Limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
May 29, 2017	Allotted Pursuant to Scheme of Amalgamation	11,981	10/-	154.84	18,55,138/-
Total		11,981			18,55,138/-

i) Geecee Investments Limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Consideration (₹)
May 29, 2017	Allotted Pursuant to Scheme of Amalgamation	458	10/-	78.78	36,081/-
Total		458			36,081/-

- 9.5. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to [●]% from 73.35% prior to Buyback, i.e. as on December 8, 2017. Please refer to paragraph 13.6 for further details.
- 9.6. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Equity Shareholders other than Promoter and Promoter Group, post the Buyback may decrease to [●]% from 26.65% prior to Buyback, i.e. as on December 8, 2017. Please refer to paragraph 13.6 for further details.
- 9.7. The Buyback of Equity Shares shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.8. Consequent to the Buyback and depending on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person shall undergo a change. Please refer to paragraph 13.6 for further details.
- 9.9. The debt-equity ratio immediately on completion of Buyback shall be in compliance with the permissible limit of 2:1 prescribed under the Act even if the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement.
- 9.10. We believe that the Buyback is not expected to impact growth opportunities for the Company.
- 9.11. The Promoter and Promoter Group of the Company shall not deal in the Equity Shares of the Company on Stock Exchange or off market, including by way of inter-se transfer(s) of Equity Shares amongst the Promoter and Promoter Group during the period from the date of passing the board resolution till the closing of the Buyback.
- 9.12. The Company shall not issue any new Equity Shares or other specified securities including by way of bonus till the date of closure of the Buyback.
- 9.13. The Company shall not raise further capital for a period of one year from the closure of the Buyback except in discharge of its subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.

- 9.14. Salient financial parameters consequent to the Buyback based on the audited standalone and consolidated financial statements for the financial year ended on March 31, 2017 are as under:

Parameters	Based on Consolidated Financial Statements		Based on Standalone Financial Statements	
	Pre Buyback	Post Buyback	Pre Buyback	Post Buyback
Net Worth (₹ in Lakhs)	11,605.97	11,019.17	11,609.26	11,022.46
Profit after Tax (₹ in Lakhs)	522.16	522.16	522.40	522.40
Return on Net Worth	4.50	4.74	4.50	4.74
Earnings Per Equity Share (Basic) (₹)	81.59	90.03	81.63	90.07
Earnings Per Equity Share (Diluted) (₹)	50.67	53.80	50.69	53.82
Book Value per Equity Share (₹)	1,126.14	1,135.30	1,126.46	1,135.64
Price Earnings (PE) Multiple	0.17	0.16	0.17	0.16
Debt/ Equity ratio	0.07	0.07	0.07	0.07

(1) *Net Worth = Equity Share Capital + Reserves and surplus - prepaid expenses*

(2) *Return on Net Worth = Profit / (Loss) after Tax / Net worth * 100*

(3) *Earnings per Equity Share pre Buyback = Profit / (Loss) after Tax / Weighted number of Equity Shares outstanding*

(4) *EPS post Buyback is computed after reducing 60,000 Equity Shares to be bought back under the Buyback from number of outstanding Equity Shares*

(5) *Book value per Equity Share = Net worth / Number of outstanding Equity Shares*

(6) *PE Multiple = Market Price quoted on BSE (dated July 13, 2017, being the first traded closing price post March 31, 2017) / EPS diluted*

(7) *Debt-Equity Ratio = Debt / Net-worth*

(8) *No of shares pending allotment also considered while calculating post Buyback EPS.*

10. BASIS OF CALCULATING THE BUYBACK PRICE

- 10.1. The Equity Shares are proposed to be bought back at a price of ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share.
- 10.2. The Equity Shares of the Company are infrequently traded on BSE. From April 1, 2017 till the date of Board Meeting i.e. December 7, 2017, 25,761 Equity Shares were traded on the BSE which represents 2.50% of fully paid-up equity share capital of the Company. As the Equity Shares are infrequently traded the trend in the market price cannot be determined. No Equity Shares were traded on the date of the intimation of the Board Meeting i.e. December 4, 2017. The Buyback Price has been determined based on valuation report dated December 7, 2017 issued by M/s. Raghu Iyer Associates, Chartered Accountants (Firm No. 114240W), representing the fair value of the Equity Shares of the Company.
- 10.3. The Buyback Price is 0.87 times of the book value per Equity Share of the Company as on March 31, 2017 which was ₹ 1,126.46 and ₹ 1,126.14 per Equity Share based on standalone financial statements and consolidated financial statements, respectively.
- 10.4. The earnings per Equity Share (basic) of the Company prior to the Buyback, for the financial year ended March 31, 2017 was ₹ 81.63 and ₹ 81.59 per Equity Share based on standalone financial statements and consolidated financial statements, respectively. Assuming full acceptance under the Buyback, the earnings per Equity Share (basic) of the Company for the financial year ended March 31, 2017 will be ₹ 90.07 and ₹ 90.03 per Equity Share based on standalone financial statements and consolidated financial statements, respectively, as adjusted for the Buyback.
- 10.5. The return on net worth prior to the Buyback, for the financial year ended March 31, 2017 were 4.50% based on standalone financial statements and consolidated financial statements. Assuming full acceptance under the Buyback, the return on net worth for the financial year ended March 31, 2017 will be 4.74% based on standalone financial statements and consolidated financial statements, as adjusted for the Buyback.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only).
- 11.2. The funds for the Buyback will be sourced from current balances of cash and cash equivalents and / or internal accruals of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.3. The cost of financing the Buyback would be notional loss in income, if any.

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

- 12.1. In accordance with Regulation 10 of the Buyback Regulations, the Company has appointed [●] as the Escrow Agent for the Buyback. The Company, the Manager to the Buyback and the Escrow Agent have entered into an Escrow Agreement dated [●], 2017, pursuant to which the Escrow Account in the name and style “[●]” bearing account number [●] has been opened with the Escrow Agent at its branch office located at [●]. The Company will deposit ₹ [●] in the Escrow Account, in terms of the Buyback Regulations. The Manager has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.2. The Company has adequate and firm financial resources to fulfill its obligations under the Buyback and the same has been certified vide a certificate dated December 7, 2017 by Ajay Gupta (Membership No.: 053071), Partner of M/s. Ajay Shobha & Co., Chartered Accountants (Firm Registration No.: 317031E), having their office at A – 701, La – Chapelle, Evershine Nagar, Malad (West), Mumbai – 400 064 and Tel. No. +91 22 2880 8702.
- 12.3. Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that the firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1. The present capital structure of the Company pre Buyback and post Buyback is as follows:

(₹ in Lakhs)

Sr. No.	Particulars	Pre Buyback	Post Buyback*
1.	Authorized Equity Share Capital:		
	82,50,000 Equity Shares of ₹ 10/- each	825.00	825.00
2.	Issued, Subscribed and Paid-up Share Capital*:		
	10,30,593 Equity Shares of ₹ 10/- each	103.06	-
	9,70,593** Equity Shares of ₹ 10/- each	-	97.06

*Includes 3,90,593 Equity Shares allotted on May 29, 2017, pursuant to scheme of amalgamation of Aroni Commercial Limited (“Transferor Company”) with the Company (“Transferee Company”), of which 566 Equity Shares are listed on BSE Limited vide listing approval dated June 16, 2017. Further the said Equity Shares has not received the trading approval.

**Assuming full acceptance in the Buyback.

- 13.2. The Company did not implement any Buyback programme in the last three years.
- 13.3. As on date of this Draft Letter of Offer, there are no partly paid-up Equity Shares outstanding.
- 13.4. As on date of this Draft Letter of Offer, there are no outstanding securities convertible into Equity Shares.
- 13.5. As on date of this Draft Letter of Offer, there is no amount under calls in arrears.
- 13.6. The shareholding pattern of the Company (a) pre Buyback i.e. as on December 8, 2017; and (b) the post Buyback is as follows:

Category of Shareholder	Pre Buyback		Post Buyback*	
	Number of Equity Shares	% to pre Buyback paid-up Equity Share capital	Number of Equity Shares	% to post Buyback paid-up Equity Share capital
Promoter and Promoter Group	7,55,984	73.35	[●]	[●]
Foreign Investors (including Non-Resident Indians, FIIs and Foreign Mutual Funds)	641	0.06	[●]	[●]
Financial Institutions/Banks & Mutual Funds promoted by Banks/ Institutions	0	0.00		
Others (Public, Public Bodies Corporate, etc.)	2,73,968	26.59		
Total	10,30,593	100.00	[●]	[●]

* Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement.

- 13.7. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act. However, the Company has allotted 3,90,593 Equity Shares on May 29, 2017, pursuant to scheme of amalgamation of Aroni Commercials Limited (“Transferor Company”) with the Company (“Transferee Company”), of which 566 Equity Shares are listed on BSE Limited vide listing approval dated June 16, 2017. Further the said Equity Shares has not received the trading approval.
- 13.8. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to [●]% from 73.35% prior to the Buyback, i.e. as on December 8, 2017.
- 13.9. The aggregate number of Equity Shares purchased or sold by Promoter and Promoter Group, as mentioned in paragraph 6.3 above during a period of six months preceding the date of the Board Meeting, is as follows:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
Ashwin Kumar Kothari	349	Equity Shares allotted pursuant to scheme of amalgamation of Aroni Commercials Limited (“Transferor Company”) with the Company (“Transferee Company”)	NA	NA	NA	NA
Ashwin Kumar Kothari (Smaller) HUF	29		NA	NA	NA	NA
Ashwin Kumar Kothari (HUF)	6		NA	NA	NA	NA
Panna Lal C Kothari HUF	1,075		NA	NA	NA	NA
Rohit Kothari	112		NA	NA	NA	NA
Harisingh Shyamsukha	11		NA	NA	NA	NA
Meena A Kothari	40		NA	NA	NA	NA
Niyati Parish Mehta	22,000		NA	NA	NA	NA
Winro Commercial (India) Limited	72,614		NA	NA	NA	NA
Four Dimensions Securities (India) Limited	1,71,887		NA	NA	NA	NA
Geecee Investments Limited	7,861		NA	NA	NA	NA

- 13.10. The aggregate number of Equity Shares purchased or sold by Promoter and Promoter Group, as mentioned in paragraph 6.3 above during a period of twelve months preceding the date of the Public Announcement, is as follows:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
Ashwin Kumar Kothari	349	Equity Shares allotted pursuant to	NA	NA	NA	NA
Ashwin Kumar Kothari (Smaller) HUF	29		NA	NA	NA	NA

Ashwin Kumar Kothari (HUF)	6	scheme of amalgamation of Aroni Commercials Limited (“Transferor Company”) with the Company (“Transferee Company”)	NA	NA	NA	NA
Panna Lal C Kothari HUF	1,075		NA	NA	NA	NA
Rohit Kothari	112		NA	NA	NA	NA
Harisingh Shyamsukha	11		NA	NA	NA	NA
Meena A Kothari	40		NA	NA	NA	NA
Niyati Parish Mehta	22,000		NA	NA	NA	NA
Winro Commercial (India) Limited	72,614		NA	NA	NA	NA
Four Dimensions Securities (India) Limited	1,71,887		NA	NA	NA	NA
Geecee Investments Limited	7,861		NA	NA	NA	NA

- 13.11. The aggregate number of Equity Shares purchased or sold by the directors of the companies forming part of Promoter and Promoter Group, as mentioned in paragraph 6.4 above during a period of six months preceding the date of the Board Meeting, is as follows:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
Meena A Kothari	40	Equity Shares allotted pursuant to scheme of amalgamation of Aroni Commercials Limited (“Transferor Company”) with the Company (“Transferee Company”)	NA	NA	NA	NA
V V Sureshkumar	228		NA	NA	NA	NA

- 13.12. The aggregate number of Equity Shares purchased or sold by the directors of the companies forming part of Promoter and Promoter Group, as mentioned in paragraph 6.4 above during a period of twelve months preceding the date of the Public Announcement, is as follows:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
Meena A Kothari	40	Equity Shares allotted pursuant to scheme of amalgamation of Aroni Commercials Limited (“Transferor Company”) with the Company (“Transferee Company”)	NA	NA	NA	NA
V V Sureshkumar	228		NA	NA	NA	NA

14. BRIEF INFORMATION ABOUT THE COMPANY

14.1. History of the Company

The Company was incorporated on January 24, 1983 as a public limited company in the name of Saraswati Commercial (India) Limited under the Companies Act, 1956 and received certificate of incorporation from the Registrar of Companies, West Bengal. The Company received the certificate of commencement of business on January 31, 1983 from the Registrar of Companies, West Bengal. Thereafter, the registered office was shifted to Maharashtra and a certificate of registration of company law board order for change of state was issued by the Registrar of Companies, Maharashtra, Mumbai. The registered office of the Company is located at 209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021. The CIN number of the Company is L51909MH1983PLC166605. The Equity Shares of the Company are currently listed on the BSE (Security Code: 512020).

The Company is registered as a Non - Banking Financial Company without accepting public deposits (“NBFC”) with RBI as per the certificate of registration bearing No. 13.08160 dated April 27, 2007 (in lieu of earlier COR No. 05.00094 issued on dated February 18, 1998) issued under Section 45IA of the Reserve Bank of India Act, 1934.

The Company is primarily engaged in the business of investment, trading in shares and securities and lending activities. The Company has two subsidiaries namely Sureshwar Trading & Finance Private Limited and Arkaya Commercial Private Limited and one associate namely Arcies Laboratories Limited.

14.2. Growth of Business

The Company was incorporated with the object of trading business later it was registered with RBI as NBFC. The Company is engaged in the business of investment, trading in shares and securities and lending activities. The assets size of the Company has increased from 550.40 lakhs in 2004 to Rs. 13,278.79 lakhs in 2017.

In the financial year 2016-2017, one of the listed group Company called Aroni Commercials Limited (“Transferor Company”) was merged with the Company (“Transferee Company”). All the assets and liabilities of the Transferor Company have been transferred to Transferee Company as on appointed date i.e April 1, 2015. The merger has benefited to build a stronger sustainable business. As a result of merger, the Company became non- banking financial company systematically important (NBFC-ND-SI) on group level.

14.3. Financial Performance

As per standalone audited financial statements for the financial years ended March 31, 2017, 2016 and 2015, the Company recorded total revenue of ₹ 1,075.09 lakhs, ₹ 9,268.91 lakhs and 9,957.37 lakhs, respectively, and Profit/(Loss) after tax of ₹ 522.40 lakhs, ₹ 1,383.27 lakhs and ₹ 675.91 lakhs, respectively.

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

Date of Allotment	No. of Equity Shares issued	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Cumulative No. of Equity Shares*	Details
January 24, 1983	70	10	10	Cash	70	Subscription to Memorandum
June 6, 1983	89,930	10	10	Cash	90,000	Further Issue
September 20, 1983	1,50,000	10	10	Cash	2,40,000	Initial Public Issue
November 23, 1994	2,00,000	10	10	Other than cash	4,40,000	Scheme of amalgamation of Black Diamond Trexim Private Limited and Corpus Vyapaar Private Limited with the Company
February 8, 1996	2,00,000	10	10	Other than cash	6,40,000	Scheme of amalgamation of Anandmangal Commodeal Private Limited with the Company
May 29, 2017	3,90,593	10	10	Other than cash	10,30,593	Scheme of amalgamation of Aroni Commercials Limited with the Company

***3,90,593 Equity Shares allotted on May 29, 2017, pursuant to scheme of amalgamation of Aroni Commercials Limited (“Transferor Company”) with the Company (“Transferee Company”), of which 566 Equity Shares are listed on BSE Limited vide listing approval dated June 16, 2017. Further the said Equity Shares has not received the trading approval.*

- 14.5. The Details of the Board of Directors of the Company as on date of Public Announcement i.e. December 8, 2017 are as follows:

Name, DIN, Age and Occupation of the Director	Designation	Qualifications	Date of Appointment	Other Directorships
Name: Babita Thakkar DIN: 06934171 Age: 42 years Occupation: Service	Independent Non-Executive Director	Bachelor of Commerce in University of Mumbai	July 26, 2014	--
Name: Ketan Desai DIN: 07092422 Age: 50 years Occupation: Service	Independent Non-Executive Director	Civil Engineering in Gujarat University	February 13, 2015	1. Winro Commercial (India) Limited
Name: V V Sureshkumar DIN: 00053859 Age: 60 years Occupation: Service	Non-Executive Director	Bachelor of Commerce in University of Kerala	August 14, 2017	1. Arcies Laboratories Limited 2. Winro Commercial (India) Limited 3. Geecee Investments Limited 4. Mountainside Agriculture Private Limited 5. Rosy Agriculture Private Limited 6. Geecee Fincap Limited 7. Geecee Ventures Limited
Name: Ritesh Zaveri DIN: 00054741 Age: 43 years Occupation: Service	Non-Executive Director	Bachelor of Commerce in University of Mumbai	November 13, 2017	1. Geecee Investments Limited 2. G T Z Bombay Private Limited 3. Yashvi Farms and Plantation Private Limited 4. Sandeep Farming Private Limited

- 14.6. The details of changes in the Board of Directors during the last 3 years preceding the date of Public Announcement are as under:

Name of the Director	Appointment / Resignation*	Effective Date	Reasons
Ketan Desai	Appointment	February 13, 2015	Appointed as additional director
Umaidmal Kala	Resignation	February 13, 2015	Resignation u/s 168
Anilkumar Rajan	Resignation	August 10, 2017	Resignation u/s 168
V V Sureshkumar	Appointment	August 14, 2017	Appointed as additional director
Harisingh Shyamsukha	Resignation	November 13, 2017	Resignation u/s 168
Ritesh Zaveri	Appointment	November 13, 2017	Appointed as additional director

* Excludes re-appointment and change in designation

- 14.7. The Buyback will not result in any benefit to any Directors of the Company except to the extent of the Equity Shares held by them in the Company which they may tender in the Buyback or the Promoter and Promoter Group of the Company 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 a reduction in the Equity Share Capital of the Company, post Buyback.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1. Based on audited standalone financial statements for the last three completed financial years and unaudited standalone financial statement for six months ended September 30, 2017

The salient financial information of the Company from the standalone audited financial statements for the preceding three financial years being March 31, 2017, March 31, 2016 and March 31, 2015 and unaudited limited review financial statements for six months ended September 30, 2017 are as under:

(₹ in Lakh)

Particulars	For the half year ended September 30, 2017 ⁽¹⁾	For the year ended March 31, 2017 ⁽¹⁾	For the year ended March 31, 2016 ⁽¹⁾	For the year ended March 31, 2015 ⁽¹⁾
	Unaudited	Audited	Audited	Audited
Months	6	12	12	12
Total Revenue	1,829.09	1,075.09	9,268.91	9,957.37
Total Expenses (excluding interest and depreciation)	65.77	273.96	7,464.99	8,651.53
Finance Cost	24.94	284.01	420.19	477.62
Depreciation	1.01	3.18	0.11	0.15
Profit / (Loss) before Tax	1,737.37	513.94	1,383.62	828.07
Provision for Tax (including Deferred Tax)	98.33	(8.46)	0.36	152.16
Profit / (Loss) after Tax	1,639.04	522.40	1,383.27	675.91
Equity share capital	103.06	103.06*	64.00	64.00
Reserves & Surplus	13,146.14	11,507.09	3,455.70	2,072.43
Net worth	13,244.79	11,609.26	3,519.27	2,133.94
Total Debt** (excluding working capital loans)	-	-	-	-
Total Debt (including working capital loans)	-	800.00	4,222.82	3,241.00

* Includes Share pending allotment of Rs. 39.06 lakhs.

** As on 31st March, 2017, 2016 & 2015, Company had short term borrowing which are not included in Total Debt.

⁽¹⁾The annual audited financial statements for the year ended 31st March 2017, 31st March, 2016 and 2015 & unaudited financial statements for half year ended on 30th September, 2017, have been prepared in accordance with the Accounting Standard (AS) specified under the Act.

15.2. Based on audited consolidated financial statements for the last three completed financial years and unaudited consolidated financial statement for six months ended September 30, 2017

The salient financial information of the Company from the consolidated audited financial statements for the preceding three financial years being March 31, 2017, March 31, 2016 and March 31, 2015 and unaudited limited review financial statements for six months ended September 30, 2017 are as under:

(₹ in Lakh)

Particulars	For the half year ended September 30, 2017 ⁽¹⁾	For the year ended March 31, 2017 ⁽¹⁾	For the year ended March 31, 2016 ⁽¹⁾	For the year ended March 31, 2015 ⁽²⁾
	Unaudited	Audited	Audited	Audited
Months	6	12	12	12
Total Revenue	1,829.49	1,075.10	9,268.91	-
Total Expenses (excluding interest and depreciation)	66.52	274.36	7,464.99	-
Finance Cost	24.94	284.01	420.19	-
Depreciation and amortization expense	1.01	3.18	0.11	-
Profit / (Loss) before Tax	1,737.02	513.55	1,383.63	-
Provision for Tax (including	98.40	(8.46)	0.36	-

Deferred Tax)				
Profit / (Loss) after Tax before Share of profit / (Loss) of associates & Minority Interest	1,638.62	522.01	1,383.27	-
Share of profit / (Loss) of associates	-	-	(0.06)	-
Share of profit / (Loss) attributable to Minority Interest	(0.16)	(0.15)	-	-
Profit for the year	1,638.78	522.16	1,383.21	-
Equity share capital	103.06	103.06*	64.00	-
Reserves & Surplus	13,142.59	11,503.81	3,451.64	-
Net worth	13,241.23	11,605.97	3,515.20	-
Total Debt** (excluding working capital loans)	-	-	-	-
Total Debt (including working capital loans)	-	800.00	4,222.82	-

* Includes Share pending allotment of Rs. 39.06 lakhs.

** As on 31st March, 2017, 2016 & 2015, Company had short term borrowing which are not included in Total Debt.

- (1) The annual audited financial statements for the year ended 31st Marc 2017, 31st March, 2016 and unaudited financial statements for half year ended on 30th September, 2017, have been prepared in accordance with the Accounting Standard (AS) specified under the Act.
- (2) As per the MCA circular dated October 14, 2014, a company which does not have a subsidiary or subsidiaries but has one or more associate companies or joint ventures or both, company will not be required to prepare consolidated financial statement. In the FY 2014-15, the Company did not had any subsidiary but had associates and therefore the Company did not prepare consolidated financial statement.

15.3. Key Financial Ratios

- (a) Based on audited standalone financial statements for the last three completed financial years and unaudited standalone financial statement for six months ended September 30, 2017

Particulars	For the half year ended September 30, 2017	For the year ended March 31, 2017*	For the year ended March 31, 2016	For the year ended March 31, 2015
Earnings Per Equity Share (₹) (Basic)	180.75#	81.63	216.14	105.61
Earnings Per Equity Share (₹) (Diluted)	180.75#	50.69	216.14	105.61
Return on Net Worth (%)	12.37	4.50	39.31	31.67
Book Value Per Equity Share (₹)	1,285.16	1,126.46	549.89	333.43
Debt-Equity Ratio	-	0.07	1.20	1.52

*No of shares pending allotment also considered while calculating ratio.

Not Annualised

- (b) Based on audited consolidated financial statements for the last three completed financial years and unaudited consolidated financial statement for six months ended September 30, 2017

Particulars	For the half year ended September 30, 2017	For the year ended March 31, 2017*	For the year ended March 31, 2016	For the year ended March 31, 2015**
Earnings Per Equity Share (₹) (Basic)	180.72#	81.59	216.13	-

Earnings Per Equity Share (₹) (Diluted)	180.72#	50.67	216.13	-
Return on Net Worth (%)	12.38	4.50	39.35	-
Book Value Per Equity Share (₹)	1,284.82	1,126.14	549.25	-
Debt-Equity Ratio	-	0.07	1.20	-

* No of shares pending allotment also considered while calculating ratio.

** As per the MCA circular dated October 14, 2014, a company which does not have a subsidiary or subsidiaries but has one or more associate companies or joint ventures or both, company will not be required to prepare consolidated financial statement. In the FY 2014-15, the Company did not had any subsidiary but had associates and therefore the Company did not prepare consolidated financial statement.

Not Annualised

Note:

- (1) Net Worth = Equity Share Capital + Reserves and surplus- prepaid expenses
- (2) Earnings per Equity Share = Profit / (Loss) after Tax / Weighted number of Equity Shares outstanding
- (3) Book value per Equity Share = Net worth / Number of outstanding Equity Shares
- (4) Debt-Equity Ratio = Total Debt (including working capital loans) / net-worth
- (5) Return on Net Worth = Profit / (Loss) after Tax / Net worth*100
- (6) Total debt (including working capital loan) = Long Term Borrowings + Short Term Borrowings

15.4. The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable.

16. STOCK MARKET DATA

16.1. The Equity Shares are currently listed and traded on BSE Limited.

16.2. The high, low and average market prices in preceding three financial years (April to March) and the monthly high, low and average market prices for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE are as follows:

Period	High			Low			Average Price ⁽³⁾ (₹)	Total Volume Traded in the period (No. of shares)
	High Price ⁽¹⁾ (₹)	Date of High Price	No. of shares traded on that date	Low Price ⁽²⁾ (₹)	Date of Low Price	No. of shares traded on that date		
PRECEDING 3 YEARS								
FY 2015	No trading							
FY 2016	No trading							
FY 2017	No trading							
PRECEDING SIX COMPLETED CALENDAR MONTHS								
June 2017	No trading							
July 2017	8.73	July 21, 2017	6	8.40	July 13, 2017	1	8.56	8
August 2017	9.52	August 28, 2017	1	8.90	August 2, 2017	1	9.16	25,250
September 2017	10.48	September 14, 2017	11	9.99	September 11, 2017	458	10.24	469
October 2017	11.55	October 27, 2017	6	11.00	October 3, 2017	11	11.28	17
November 2017	12.72	November 21, 2017	11	12.12	November 7, 2017	6	12.42	17

Source: www.bseindia.com

Note:

⁽¹⁾ High of daily high prices.

⁽²⁾ Low of daily low prices.

⁽³⁾ Average of the daily closing price

16.3. No Equity Shares were traded on the date of the intimation of the Board Meeting i.e. December 4, 2017, previous day on which the Board approved the proposal for Buyback and date of Board Meeting.

17. DETAILS OF THE 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 Regulations 10B of FEMA 20/2000-RB, dated 3-5-2000, 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 relevant pricing guidelines of SEBI, documentation and reporting requirements for such transfers as specified by RBI for a listed company.

17.3. 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.

17.4. Registered Foreign Portfolio Investor including QFIs (RFPI) are permitted under the Foreign Portfolio Investor Scheme (FPI) to sell their duly acquired shares through buyback of shares by a listed Indian company in accordance with the SEBI (Buy Back of Securities) Regulations, 1998.

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 Exchange.

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

18.1. REGISTRAR TO THE BUYBACK



TSR Darashaw Limited

6-10, Haji Moosa Patrawala Ind. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011;

Tel. No.: +91 22 6656 8484; **Fax:** +91 22 6656 8494;

Contact person: Mary George; **Email:** saraswatibuyback17@tsrdarashaw.com;

Website: www.tsrdarashaw.com;

SEBI Registration Number: INR000004009;

CIN: U72400TG2003PTC041636.

18.2. COLLECTION CENTRE

After placing the bid in the stock exchange, Eligible Sellers are requested to submit their Tender Form(s) along with TRS slip(s) and requisite documents either by registered post / courier to the Registrar to the Buyback, superscribing the envelope as “**Saraswati Commercial (India) Limited – Buyback Offer 2017**”, or hand deliver the same to the Registrar to the Buyback at the address abovementioned so that the same are received within 2 (two) days from the Buyback Closing Date.

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

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

19.1. The Company proposes to Buyback up to 60,000 (Sixty Thousand) fully paid-up Equity Shares (representing up to 5.82% of the total number of Equity Shares of the Company) from the Eligible Sellers, on a

proportionate basis, through the Tender Offer at a price of ₹ 978/- (Rupees Nine Hundred Seventy Eight Only) per Equity Share, payable in cash for an aggregate maximum amount of up to ₹ 5,86,80,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only). The Buyback is in accordance with the provisions of Section 68, 69, 70 and other applicable provisions, if any, of the Act and in accordance with Article 84 of the Articles of Association of the Company and subject to Regulation 4(1)(a) and other applicable provisions contained in the Buyback Regulations and such other approvals, permissions and sanctions as may be required, from time to time from statutory authorities and/ or regulatory authorities. The Buyback Size is 5.57% of the fully paid-up equity share capital and free reserves (including securities premium) as per latest consolidated audited balance sheet of the Company for the financial year ended March 31, 2017.

- 19.2. The aggregate shareholding of the Promoter and Promoter Group as on December 8, 2017 is 7,55,984 Equity Shares which represents 73.35% of the fully paid-up equity share of the Company. In terms of the Buyback Regulations, under the Tender offer, the Promoter and Promoter Group of the Company have an option to participate in the Buyback. In this regard, the Promoter and Promoter Group have expressed their intention vide their letters dated December 7, 2017 to participate in the Buyback and tender up to an aggregate maximum number of 40,842 Equity Shares.
- 19.3. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback will be [●] Equity Shares representing [●]% of paid-up equity share capital of the Company.
- 19.4. **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**
- (i) The Board at its meeting held on December 7, 2017 announced December 22, 2017 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buyback.
 - (ii) The Equity Shares to be bought back as a part of this Buyback are divided into two categories:
 - (a) Reserved category for Small Shareholders (“**Reserved Category**”); and
 - (b) General category for Eligible Sellers other than the Small Shareholders (“**General Category**”).
 - (iii) As defined in the Buyback Regulations, Small Shareholder includes a shareholder, who holds Equity Shares of the Company, as on the Record Date, whose market value, on the basis of closing price on BSE, as on Record Date, is not more than ₹ 2,00,000/- (Rupees Two Lakhs Only). As on the Record Date, the closing price on BSE was ₹ [●]/-. Accordingly, all Equity Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as “Small Shareholders” for the purpose of the Buyback.
 - (iv) Based on the above definition, there are [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on the Record Date, which constitutes [●]% of the total number of Equity Shares of the Company and [●]% of the maximum number of Equity Shares which the Company proposes to buyback as a part of this Buyback.
 - (v) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be higher of:
 - (a) 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 60,000 (Sixty Thousand) Equity Shares which works out to 9,000 (Nine Thousand) Equity Shares; or
 - (b) The number of Equity Shares entitled as per their shareholding as on Record Date i.e. Friday, December 22, 2017, which works out to be [●] Equity Shares.
- (1) All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter and Promoter Group also intend to offer Equity Shares held by them in the Buyback.

- (2) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, [●] [(Rounded off)] Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.

- (vi) Based on the above Buyback Entitlement, the ratio of Buyback for both categories is decided as below:

Category of Shareholders	Ratio of Buyback
Reserved category for Small Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date.
General category Eligible Sellers other than Small Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date.

19.5. Fractional Entitlements:

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

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 and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares.

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

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

- (i) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the acceptance as described in paragraph 19.6 (i) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and 1 (one) share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (iii) Post the acceptance as described in paragraph 19.6 (i) and 19.6 (ii) above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buyback Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6 (ii) above, shall be reduced by 1 (one).
- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.6 (iii) above:
 - (a) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

- (b) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

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

Subject to the provisions contained in the DLOF, the Company will accept the Equity Shares tendered in the Buyback by Eligible Sellers other than Small Shareholders in the General Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Eligible Sellers other than Small Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.7 (i) above, in case there are any Equity Shares left to be bought back in the General Category, then the Additional Equity Shares tendered by the other Eligible Sellers over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Sellers divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- (iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.7 (i) and (ii) above:
 - (a) For any Eligible Seller, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Eligible Seller if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.8. Basis of Acceptance of Equity Shares between Categories

- (i) In case there are any Equity Shares left to be bought back in one category (“**Partially filled Category**”) after acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be accepted proportionately, i.e. valid acceptances per Eligible Seller shall be equal to the Additional outstanding Equity Shares validly tendered by an Eligible Seller in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially filled Category.
- (ii) If the Partially filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6 (ii) shall be reduced by 1 (one).
- (iii) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.8 (i) and (ii) above:
 - (a) For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.9. **For avoidance of doubt, it is clarified that:**

- (i) The Equity Shares accepted under the Buyback from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Seller;
- (ii) The Equity Shares accepted under the Buyback from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Seller as on the Record Date;
- (iii) The Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above; and
- (iv) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Board or any person(s) or committee authorized by the Board will have the authority to decide such final allocation with respect to such acceptance or rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in this paragraph.

20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT

- 20.1. The Buyback is open to all Eligible Sellers of the Company, holding Equity Shares either in physical and/ or electronic form on the Record Date.
- 20.2. The Company proposes to effect the Buyback through a Tender Offer method on a proportionate basis. The Letter of Offer, Tender Form and SH-4 (SH-4 only to those Eligible Sellers holding Equity Shares in physical form), will be dispatched (through e-mail and/or physical mode) to all the Eligible Sellers.
- 20.3. The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/ sale of such Equity Shares.
- 20.4. The Company shall comply with Regulation 19(5) 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 transferable.
- 20.5. The Company shall accept Equity Shares offered by the duly authorised persons on behalf of Eligible Sellers including executor / trustee of the trust, partner of the firm, karta of the HUF, constituted attorney, subject to receipt of relevant documents, as required by the Registrar.
- 20.6. Eligible Sellers 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 Sellers are required to tender the applications separately from each demat account, to the special account of Indian Clearing Corporation Limited (“**Clearing Corporation**”).
- 20.7. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Sellers, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Sellers will be accepted as per paragraph 19.6, 19.7, 19.8, 19.9 and 20.9.
- 20.8. As elaborated under paragraph 19.4 above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories; (a) Reserved category for Small Shareholders and (b) the General category for Eligible Sellers other than Small Shareholders and the Buyback Entitlement of an Eligible Seller in each category shall be calculated accordingly.
- 20.9. 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 Sellers in that category, and thereafter, from Eligible Sellers who have tendered over and above their Buyback Entitlement, in other category.

- 20.10. The Buyback shall be implemented using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circulars CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and 20170210-16 dated February 10, 2017 in terms of Regulation 9(3A) of the Buyback Regulations and following the procedure prescribed in the Act and the Buyback Regulations, and as may be determined by the Board (including committee authorized by the Board to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.11. For implementation of the Buyback, the Company has appointed Antique Stock Broking Limited as the registered broker to the Company (“**Company’s Broker**”) through whom the purchases and settlement on account of the Buyback would be made by the Company. The contact details of the Company’s Broker are as follows:
- Antique Stock Broking Limited**
Naman Midtown, "A" Wing, 20th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400013;
Tel. No.: +91 22 40313314/15;
Contact Person: Jignesh P Sangani;
Email: jignesh@antiquelimited.com; **Website:** <http://www.antiquelimited.com/>;
SEBI Registration Number: INZ000001131;
Corporate Identity Number: U67120MH1994PLC079444.
- 20.12. The Acquisition Window will be provided by the BSE to facilitate placing of sell orders by Eligible Sellers who wish to tender Equity Shares in the Buyback. The details of the platform will be specified by BSE from time to time.
- 20.13. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company’s Broker.
- 20.14. In the event Seller Member(s) are not registered with BSE then that Eligible Seller can approach any BSE registered stock broker and can make a bid by using quick unique client code (“**UCC**”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with the SEBI regulations. In case Eligible Seller is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Seller may approach Company's Broker viz. Antique Stock Broking Limited, to bid by using quick UCC facility. The Eligible Seller approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case of Eligible Seller being an individual

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

Forms required:

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

Documents required (all documents self-attested):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Eligible Seller is not registered with KRA:

Forms required:

- CKYC form
- KRA form
- KYC form

Documents required (all documents self-attested):

- PAN card copy
- Address proof – Aadhaar card
- Bank details (cancelled cheque)

- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

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

In case of Eligible Seller is HUF:

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

Forms required:

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

Documents required (all documents self-attested):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Eligible Seller is not registered with KRA:

Forms required:

- CKYC form of KARTA
- KRA form
- Know Your Client (KYC) form

Documents required (all documents self-attested):

- PAN card copy of HUF & KARTA
- Address proof of HUF & KARTA - Aadhaar card of KARTA
- HUF declaration
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

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

In case of Eligible Seller other than Individual and HUF:

If Eligible Seller is KRA registered:

Form required

- Know Your Client (KYC) form

Documents required (all documents certified true copy)

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

If Eligible Seller is not KRA registered:

Forms required:

- KRA form
- Know Your Client (KYC) form

Documents required (all documents certified true copy):

- PAN card copy of company/ firm/trust
- Address proof of company/ firm/trust
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies, Aadhaar card & address proof of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card, Aadhaar card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

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

20.15. During the tendering period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Sellers through their respective stock brokers during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Eligible Sellers. The stock brokers ("Seller Member(s)") can enter orders for demat shares as well as physical shares.

20.16. Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the Tendering Period of the Buyback. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of Acceptance.

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

20.18. All documents sent by the Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.

20.19. Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialised form

- (i) Eligible Sellers who desire to tender their Equity Shares held in the electronic/dematerialized form under Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.
- (ii) The Seller Member would be required to place an order/bid on behalf of the Eligible Sellers who wish to tender their Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the bid, the concerned Seller Member would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited, by using the early pay-in mechanism as prescribed by the designated stock exchange or the Indian Clearing Corporation Limited prior to placing the bid by the Seller Member. This shall be validated at the time of order/bid entry.
- (iii) The details of the special account and the settlement number shall be informed in the issue opening circular that will be issued by BSE and/or Indian Clearing Corporation Limited.
- (iv) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than 6.00 p.m. on the last day of the tendering period. However bids shall be accepted only up to 3:30 p.m. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- (v) Upon placing the order, the Seller Member shall provide transaction registration slip ("TRS") generated by the stock exchange bidding system to the Eligible Seller. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered, etc.

- (vi) Eligible Sellers who have tendered their Equity Shares in the Buyback can ‘hand deliver’ Tender Form duly signed (by all Eligible Sellers in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the head-office (mentioned in paragraph 18 of this Draft Letter of Offer) of Registrar to the Buyback. TRS will be generated by the respective Seller Members. Eligible Sellers who cannot hand deliver the Tender Form and other documents at the office of Registrar to the Buyback, may send the same by registered post / speed post, at their own risk, superscribing the envelope as “**Saraswati Commercial (India) Limited - Buyback Offer 2017**”, to the Registrar to the Buyback at their office mentioned on the cover page of this DLOF, so that the same are received not later than 2 (two) days from the Buyback Closing Date (by 5 PM). One copy of TRS will be retained by the Registrar and it will provide acknowledgment of the same to the Seller Member/Eligible Seller.
- (vii) All Eligible Sellers 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):
 - (a) Duly attested power of attorney, if any person other than the Eligible Seller has signed the Tender Form;
 - (b) Duly attested death certificate and succession certificate / legal heirship certificate, in case any Eligible Seller has expired; and
 - (c) In case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).
- (viii) In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Equity Shareholders.
- (ix) The Eligible Sellers will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated buyback decided by the Company.

20.20. Procedure to be followed by Registered Eligible Sellers holding Equity Shares in physical form

- (i) Eligible Sellers who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the (i) completed tender form and original share certificate(s), (ii) valid Form SH 4 (transfer form) duly filled and signed by the Eligible Seller (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, (iii) self -attested copy of the Eligible Seller’s PAN Card, and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Seller has undergone a change from the address registered in the Register of Members of the Company, the Eligible Sellers would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhaar Card, Voter Identity Card or Passport.
- (ii) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Sellers holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- (iii) The Seller Member/Eligible Seller has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buyback i.e. TSR Darashaw Limited (“**Registrar**”) (at the address mentioned at paragraph 18) within 2 (two) days of bidding by the Seller Member. The envelope should be superscribed as “**Saraswati Commercial (India) Limited**”

- **Buyback Offer 2017**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Seller.

- (iv) Eligible Sellers holding Equity Shares in physical form should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares held in physical form in the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.
- (v) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Company and Registrar shall have the right to reject such Equity Shares tendered. The Equity Shares shall be liable for rejection on the following grounds amongst others: (a) If there is any other company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (b) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (c) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (d) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar.
- (vi) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date.

20.21. For Equity Shares held by Eligible Sellers, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 "Details of the Statutory Approvals"):

- (i) Eligible Sellers, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (ii) In case the Equity Shares are held on repatriation basis, the Eligible Sellers who are Non-Resident Shareholders shall obtain and enclose a letter from its authorized dealer / bank confirming that at the time of acquiring the Equity Shares, payment for the same was made by such non-resident Eligible Seller from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Sellers who are Non-Resident Shareholders is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Seller shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buyback. In the event, such consent letter is not submitted by such non-resident Eligible Seller, the Company shall have the right to reject the Equity Shares tendered in the Buyback and acceptance of such Equity Shares shall be at the sole discretion of the Company subject to such conditions as the Company may deem fit including making payment for the same on a non-repatriation basis.

20.22. In case of non-receipt of the Letter of Offer:

- (i) **In case the Equity Shares are in dematerialised form:** An Eligible Seller may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. www.saraswaticommercial.com or by providing their application in writing on plain paper, signed by Eligible Seller or all Eligible Sellers (in case Equity Shares are in joint name), stating name and address of Eligible Sellers, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number and number of Equity Shares tendered for the Buyback.
- (ii) **In case the Equity Shares are in physical form:** An Eligible Seller may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. www.saraswaticommercial.com or by providing their application in writing on plain paper signed by Eligible Seller or all Eligible Sellers (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 Sellers 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 www.saraswaticommercial.com. Eligible Sellers must ensure that the

Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.20 (i) above), reach the collection centres not later than 2 (two) days from the Buyback Closing Date (by 5 PM). If the signature(s) of the Eligible Sellers provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar / Company or are not in the same order (although attested), the Company / Registrar shall have a right to reject such applications.

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

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

20.23. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to, any Eligible Seller, shall not invalidate the Buyback in any way.

20.24. The acceptance of the Buyback made by the Company is entirely at the discretion of the Eligible Sellers of the Company. The Company does not accept any responsibility for the decision of any Eligible Seller to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Sellers are advised to adequately safeguard their interest in this regard.

20.25. Method of Settlement

Upon finalization of the basis of acceptance as per Buyback Regulations and in terms of this DLOF:

- (i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- (ii) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback (“**Special Demat Account**”) provided it is indicated by the Company’s Broker or it will be transferred by the Company’s Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- (iii) The Eligible Sellers 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) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Seller 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 Equity Shares will be transferred to the Seller Member’s pool account for onward transfer to the Eligible Seller. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Sellers directly by the Registrar through registered post/ speed post at the Eligible Sellers sole risk to the sole / first Equity Shareholder (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Sellers holding Equity Shares in the physical form.
- (v) The Company will pay the consideration to the Clearing Corporation on or before the pay-in date for settlement. The settlements of fund obligation for dematerialized and physical Equity Shares shall be effected as per the SEBI circulars no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and 20170210-16 dated February 10, 2017 and as prescribed by Stock Exchange and Clearing

Corporation from time to time. The Clearing Corporation would settle the trades by making, direct funds payout to the Eligible Sellers holding Equity Shares in dematerialized form in Eligible Seller's bank account as provided by the depository system and Seller Member (on behalf of the Eligible Sellers holding Equity Shares in physical form), in their settlement bank account and the Seller Member would issue contract note. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers.

- (vi) The Clearing Corporation would settle the trades by making direct funds payout to the Eligible Sellers and the Seller Member would issue contract note. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers.

20.26. Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Members for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Eligible Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Securities Transaction Tax would be deducted from respective Eligible Sellers funds payout. The Buyback consideration received by the Eligible Sellers, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and the Manager to the Buyback accept no responsibility to bear or pay such additional cost, applicable taxes, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.

20.27. The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

21. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS GIVEN HEREUNDER 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.

FURTHER, IN VIEW OF THE PARTICULARISED 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 THE TAX CONSIDERATIONS GIVEN HEREUNDER. THEREFORE, ELIGIBLE SHAREHOLDERS SHOULD NOT RELY ON THE SAME AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE. TAX CONSIDERATIONS GIVEN HEREUNDER SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

I. GENERAL

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

- B) A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since Saraswati Commercial (India) Limited 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 would be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- C) The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of equity shares listed on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

II. CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

A) Resident Shareholders being:

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
- Others

B) Non Resident Shareholders being:

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

III. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

- A) Shares held as investment (Income from transfer of shares taxable under the head "Capital Gains")
- B) Shares held as stock-in-trade (Income from transfer of shares taxable under the head "Profits and Gains of Business or Profession", hereinafter referred to as "business income")

Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterisation of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements as to whether gains from transactions in securities should be taxed as "business income" or as "capital gains". However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Recently, the apex body of Income-tax viz, The Central Board of Direct Taxes (CBDT) has issued Circular no. 6 of 2016 [F.NO.225/12/2016-ITA-II], DATED 29-2-2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months and if the taxpayer desires to treat the income arising from the transfer thereof as "capital gains", the same shall not be put to dispute by the Tax Officer.

Further, investments by Foreign Institutional Investor in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as capital asset and the transfer of such shares would be treated as "capital gains" under the provisions of the Income Tax Act.

A) SHARES HELD AS INVESTMENT

- i.** As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on buyback of shares are governed by the provisions of section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per computation provisions contained in section 48 of the Income Tax Act. The provisions relating to tax on distributed income of domestic company for buyback of shares under section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange.

ii. Period of holding

Depending on the period for which the shares are held, the gains would be taxable as ‘short term capital gain’ or ‘long term capital gain’ as stated below:

- In respect of listed equity shares held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a ‘short-term capital asset’, and the gains arising therefrom shall be taxable as ‘short term capital gains (“STCG”)
- Similarly, where listed equity shares are held for a period more than 12 months prior to the date of transfer, the same shall be treated as a ‘long-term capital asset’, and the gains arising therefrom shall be taxable as ‘long-term capital gains’ (“LTCG”).

iii. Taxability on Buyback of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buyback) is transacted through a recognized stock exchange then the taxability will be as under (for all categories of shareholders):

- LTCG arising from such transaction would be exempt under section 10(38) of the Income Tax Act upto March 31, 2017 subject to fulfillment of certain conditions which mainly included that such sale transaction is chargeable to securities transaction tax. In case of Buyback herein, securities transaction tax is chargeable and accordingly the LTCG arising on tendering of shares under Buyback were exempt till March 31, 2017. With effect from April 1, 2017, a third proviso has been inserted in section 10(38) vide Finance Act, 2017 which additionally requires that the exemption u/s. 10(38) on sale of equity shares would be available if acquisition of such equity shares were chargeable to securities transaction tax in cases of acquisition of equity shares on or after October 1, 2004 other than such acquisition which may be notified by the Central Government. Pursuant to such powers conferred by third proviso to Section 10(38), the Central Government has exempted certain transactions of acquisition of equity shares vide Notification No. S.O. 1789(E) dated June 5, 2017. Therefore, tax treatment of LTCG may be different for each Shareholder depending on whether the transaction of acquisition of equity shares which are tendered in the Buyback falls under the exemption u/s. 10(38) or otherwise. In case, LTCG arising from tendering of equity shares under the Buyback doesn’t fall under tax exemption u/s. 10(38), such LTCG shall be subject to tax u/s. 112 of the Income Tax Act @ 20% with indexation benefit or @ 10% without indexation benefit; and
 - STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act. In addition to STCG tax, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to paragraph V below for rate of surcharge and cess).
- iv.** Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax would be considered while computing the tax on such STCG taxable under section 111A of the Income Tax Act. In such cases, where the total income as reduced by such STCG is below the maximum amount not chargeable to tax, then such STCG shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income tax and on the balance of STCG, if any, income tax @ 15% is charged. In addition to the above STCG tax, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to paragraph. V. below for rate of surcharge and cess).
 - v.** Further in case of Eligible Sellers being companies as defined under the Income Tax Act, the tax provisions of minimum alternate tax on book profits as provided under section 115JB of the Income Tax Act need to be considered depending on their income and losses etc for the year.

- vi. Non-resident shareholders can avail beneficial provisions of the applicable double taxation avoidance agreement (“DTAA”), if any, entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
- vii. As an overall point, since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax (“STT”). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security transacted.

B) SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains of Business or Profession”. In such a case, the provisions of section 46A and section 48 of the Income Tax Act will not apply.

i. Resident Shareholders

- a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates as applicable.
- b) For persons other than stated in a) above, profits would be taxable @ 30% or other applicable tax rate.

No benefit of indexation by virtue of period of holding would be available in any case.

ii. Non Resident Shareholders

- a) Non-resident shareholders can avail beneficial provisions of the applicable double taxation avoidance agreement (‘DTAA’), if any, entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
- b) Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
 - For foreign companies, profits would be taxed in India @ 40%.
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to paragraph. V. below for rate of surcharge and cess).

IV. TAX DEDUCTION AT SOURCE

A) In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax at source on the consideration payable to resident shareholders pursuant to the said Buyback.

B) In case of Non-resident Shareholders

Since the buy-back is through the stock exchange, subject to Section 195 and Section 204, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore important for the non-resident shareholders to appropriately compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians / authorized dealers / tax advisors appropriately.

V. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable as under:

A) Surcharge

- In case of foreign companies, surcharge is levied @ 2% on the amount of income tax if total income exceeds Rs. 1 crore but does not exceeds Rs.10 crores and @ 5% on the amount of income tax if the total income exceeds Rs.10 crores.
- In case of other non-resident assesses (i.e. other than foreign companies), surcharge is levied @ 10% for non- resident individual/ HUF is levied where the total income exceeds Rs. 50 lakhs and 15% for non-resident individual/HUF (@ 12% in case of others) is levied where the total income exceeds Rs.1 Crore.
- In case of domestic companies, Surcharge is levied @ 7% where the total income exceeds Rs. 1 crore but does not exceeds Rs.10 crores and @ 12% is levied where total income exceeds Rs.10 crores.
- In case of resident assesses (i.e. other than domestic companies), surcharge is levied @ 10% for individuals/HUF/AOP/BOI having total income exceeds Rs. 50 lakhs and @ 15% for individuals/HUF/AOP/BOI and @ 12% in case of firm/local authority/co-operative society where the total income exceeds Rs. 1 crore.

B) Cess

Education Cess @ 2% and Secondary and Higher Education Cess @ 1% will be levied on the amount of income tax plus surcharge.

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete/exhaustive analysis or listing of all potential tax consequences on the disposal of equity shares under the Buyback. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

22. DECLARATION BY THE BOARD OF DIRECTORS

The Board of Directors made declaration as on the date of passing the board resolution approving the Buyback i.e. December 7, 2017 as required under clause (ix) and clause (x) of Part A of Schedule II to the Buyback Regulations. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, in terms of resolutions dated December 7, 2017, the Buyback Committee has confirmed on behalf of Board of Directors that :

1. There are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
2. It has, based on a full enquiry conducted into the affairs and prospects of the Company and taking into account its liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act formed an opinion that:
 - a) immediately following the date of the Draft Letter of Offer, there will be no grounds on which the Company could be found unable to pay its debts;
 - b) as regards the Company's prospects for the year immediately following the date of Draft Letter of Offer, that, having regard to their intention with respect to the management of Company's business during the said year and to the amount and character of the financial resources, which will be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date.

This declaration is made and issued under the authority of the Board pursuant to resolution passed by the Buyback Committee on December 15, 2017.

For and on behalf of the Board of Directors of **Saraswati Commercial (India) Limited**

Sd/-

V V Sureshkumar
Director
DIN: 00053859

Sd/-

Ritesh Zaveri
Director
DIN: 00054741

23. AUDITORS CERTIFICATE

The report dated December 7, 2017 received from, M/s Ajay Shobha & Co., Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced as under:

Quoted

“To,
**The Board of Directors,
Saraswati Commercial (India) Limited**
209-210 Arcadia Building,
2nd Floor, Plot No. 195,
Nariman Point, Mumbai – 400021

Sub.: Statutory Auditor’s Report on Buyback of equity shares of Rs. 10/- each of Saraswati Commercial (India) Limited (“Company”) in terms of Securities and Exchange Board of India (Buy Back of Securities) Regulations 1998, as amended (“Buyback Regulations”), through Tender Offer (“Buyback”).

Managements’ Responsibility for the Statement

The preparation of the accompanying Statement for the purpose of disclosure in the Public Announcement, Draft Letter of Offer and Letter of Offer to be issued by the Company in connection with the Buyback is the responsibility of the Management of the Company. This statement includes applying an appropriate basis of preparation.

Auditor’s Responsibility

Pursuant to the requirements under the Buyback Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Statement is in agreement with the audited financial statements as on March 31, 2017 on consolidated basis and books and records of the Company. The financial statements referred above have been audited by M/s Ajmera Ajmera & Associates - Previous auditor of the Company & have issued an unmodified audit opinion vide their report dated May 29, 2017.

We have taken following confirmation from previous auditors for Audit of Financial statements & have relied on the same.

“Our audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.”

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination as below and the information and explanations given to us and the report of previous auditor have been furnished to us by the management, in our opinion:

The Annexure A is in agreement with the consolidated audited financial statements for the year ended March 31, 2017 and books and records of the Company.

Restriction on Use

This certificate is intended solely in connection with the proposed buy back of equity shares of the Company and can be reproduced in the relevant documents and can even be submitted to stock exchanges, SEBI or other concerned authority.

Place: Mumbai
Dated: December 7, 2017

For M/s Ajay Shobha & Co.
Chartered Accountants
Firm Reg. No: 317031E
Sd/-
Ajay Gupta
Partner
Membership Number: 053071

Annexure A

The Buyback of the Company has been approved by the Board of Directors of the Company at their meeting held on December 7, 2017 under section 68, 69 and 70 of Companies Act, 2013 at a price of Rs 978/- per equity share. In this regard, we report that:

- (a) We have inquired into the state of affairs of the Company with reference to its audited financial statements for the year ended March 31, 2017 as adopted by the Board of Directors of the Company at its meeting held on May 29, 2017, which have been audited by M/s Ajmera Ajmera & Associates – Previous auditor.
- (b) The Board of Directors have proposed to buyback the Company's equity shares of 60,000 equity shares of Rs. 10/- each at a premium of Rs. 968/- per equity share aggregating to Rs. 978/- per equity share. The capital payment (including premium) of an amount not exceeding Rs. 58,680,000/- (Rupees Five Crore Eighty Six Lakhs Eighty Thousand Only) towards the buyback of equity shares, as approved by the Board of Directors, has been determined in accordance with section 68 (2) of the Companies Act, 2013 and is within the permissible amount of 10% of the paid-up equity capital and free reserves of the Company, as extracted from the consolidated audited financial statements of the Company for the year ended March 31, 2017. The same has been computed as under:

(Rs. in Lakhs)	
Particulars	As at March 31, 2017
Equity Share Capital- Subscribed and Paid-up	64.00
Free Reserves	
- General Reserve	2,134.98
- Surplus in Statement of Profit and Loss	8,295.98
- Securities Premium Account	45.40
TOTAL	10,540.36
Maximum amount permissible for the Buyback i.e. 10% of total paid up equity capital and free reserves	1,054.04
Amount approved by the Board of Directors for buyback in the meeting held on December 7, 2017	586.80

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, the Board of Directors at their meeting held on December 7, 2017 have formed their opinion as specified in clause (x) of Part A of Schedule II of the Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (as amended from time to time), on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing of resolution by the Board of Directors of the Company in case of buyback of up to 10% of its paid up equity capital and free reserves of the Company under proviso to section 68(2) of the Companies Act, 2013.

For M/s Ajay Shobha & Co.
Chartered Accountants
Firm Reg. No: 317031E
Sd/-

Place: Mumbai
Dated: December 7, 2017

Ajay Gupta
Partner
Membership Number: 053071”

Unquoted

24. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company at 209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021, between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the Offer Period:

- (i) Certificate of Incorporation of the Company.
- (ii) Memorandum and Articles of Association of the Company.
- (iii) Annual reports of the Company for the three financial years viz. March 31, 2017, 2016 and 2015 and unaudited limited review financial statements for six months ended September 30, 2017.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on December 7, 2017 approving the proposal of the Buyback.
- (v) Certificate dated December 7, 2017 received from M/s. Ajay Shobha & Co., Chartered Accountants, the statutory auditors of the Company, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations.
- (vi) Certificate dated December 7, 2017 received from M/s. Ajay Shobha & Co., Chartered Accountants, the statutory auditors of the Company, with respect to financial statements and key financial ratios.
- (vii) Certificate dated December 7, 2017 received from M/s. Ajay Shobha & Co., Chartered Accountants, the statutory auditors of the Company, with respect to details of statutory approvals.
- (viii) Certificate dated December 7, 2017 received from M/s. Ajay Shobha & Co., Chartered Accountants, the statutory auditors of the Company, with respect to note on taxation.
- (ix) Copy of Public Announcement.
- (x) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (xi) Certificate dated December 7, 2017 by Ajay Gupta (Membership No.: 053071), Partner of M/s. Ajay Shobha & Co., Chartered Accountants (Firm Registration No.: 317031E) certifying that the Company has made firm financial arrangements for fulfilling its obligations under the Buyback, in accordance with the Buyback Regulations.
- (xii) Copy of the Escrow Agreement dated [●] executed amongst the Company, Escrow Agent and the Manager to the Buyback.
- (xiii) SEBI comments received on DLOF vide letter dated [●] issued in terms of the Buyback Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

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

Avani Sanghavi - Company Secretary & Compliance Officer;
209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400021;
Tel. No.: +91 22 6670 8600; **Fax No.:** +91 022 66708650;
Email: saraswati.investor@gcvl.in; **Website:** www.saraswaticommercial.com

26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SELLERS

- (i) In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Sellers can approach the compliance officer of the Manager to the Buyback at saraswati.buyback@ingacapital.com and/ or Registrar to the Buyback and/ or Compliance Officer of the Company for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68 of the Companies Act, 2013 or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, 2013, 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, as the case may be.

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

The Registrar of Companies, Maharashtra, Mumbai
100, Everest, Marine Drive, Mumbai – 400 002

27. DETAILS OF INVESTOR SERVICE CENTRE

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

Registrar to the Buyback
TSR Darashaw Limited

6-10, Haji Moosa Patrawala Ind. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011;

Tel. No.: +91 22 6656 8484; **Fax:** +91 22 6656 8494;

Contact person: Mary George;

Email: saraswatibuyback17@tsrdarashaw.com; **Website:** www.tsrdarashaw.com;

SEBI Registration Number: INR000004009;

CIN: U67120MH1985PLC037369

28. MANAGER TO THE BUYBACK



Inga Capital Limited

(Formerly known as Inga Capital Private Limited)

Naman Midtown, 21st Floor, 'A' Wing, Senapati Bapat Marg,

Elphinstone (West), Mumbai - 400 013, Maharashtra.

Tel. No.: +91 22 4031 3489, **Fax No.:** +91 22 4031 3379;

Contact Person: Kavita Shah;

Email: saraswati.buyback@ingacapital.com; **Website:** www.ingacapital.com;

SEBI Registration No: INM000010924*;

CIN: U74140MH1999PTC122493

**In process of applying to SEBI for change of name.*

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

As per Regulation 19(1)(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. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on December 7, 2017.

For and on behalf of the Board of Directors of Saraswati Commercial (India) Limited

Sd/-	Sd/-	Sd/-
V V Sureshkumar	Ritesh Zaveri	Avani Sanghavi
Director	Director	Company Secretary & Compliance Officer
DIN: 00053859	DIN: 00054741	Membership No. 29108

Date: December 15, 2017

Place: Mumbai