

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as an Equity Shareholder/ Beneficial Owner of Equity Shares of Abirami Financial Services (India) Limited ('the Company') as on the Record Date (as defined below) in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ('SEBI Buy-Back Regulations'). If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager to the Buy-Back Offer i.e., Bonanza Portfolio Limited, or the Registrar to the Buy-Back Offer i.e., Cameo Corporate Services Limited. Please refer to the section on 'Definitions of Key Terms' on page no. 3 of this Letter of Offer for the definitions of the capitalized terms used herein.



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

Corporate Identity Number: L65993TN1993PLC024861;

Registered Office: Old No. 11, New No. 2, Parthasarathyapuram, 2nd Street, T.Nagar, Chennai- 600017, Tamil Nadu, India;

Contact Person: Mr. A.S. Arul Saravanan, Company Secretary & Compliance Officer;

Telephone No.: 044-49530954; Fax No.: 044-24325643;

E-mail: abicompliance@afslindia.in/abi@afslindia.in; Website: www.afslindia.in;

OFFER TO BUY-BACK UPTO 6,00,000 (SIX LAKHS) FULLY PAID-UP EQUITY SHARES OF THE COMPANY, HAVING FACE VALUE OF ₹10.00/- (RUPEES TEN ONLY) EACH ('EQUITY SHARES'), REPRESENTING 10.00% (TEN PERCENT) OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID-UP EQUITY CAPITAL OF THE COMPANY, FROM THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON FRIDAY, JANUARY 27, 2023, (RECORD DATE) ON A PROPORTIONATE BASIS, THROUGH THE 'TENDER OFFER' ROUTE AS PRESCRIBED UNDER THE SEBI BUY-BACK REGULATIONS, AT A PRICE OF ₹28.00/- (RUPEES TWENTY-EIGHT ONLY) PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE AMOUNT NOT EXCEEDING ₹1,68,00,000 (RUPEES ONE CRORE SIXTY-EIGHT LAKHS ONLY) EXCLUDING TRANSACTION COSTS (THE 'BUY-BACK').

- 1) The Buy-Back is in accordance with Article 40 of the Articles of Association of the Company and pursuant to Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof (the 'Companies Act') and applicable rules thereunder including the Companies (Share Capital and Debentures) Rules, 2014, as amended ('Share Capital Rules') and the Companies (Management and Administration) Rules, 2014, as amended ('Management Rules') and the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, to the extent applicable, the SEBI Buy-Back Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to the extent applicable ('Listing Regulations') and SEBI Circulars and subject to such other approvals, permissions, sanctions as may be necessary and subject to any modifications and conditions, as may be prescribed by the Securities and Exchange board of India ('SEBI'), Registrar of Companies, Chennai, ('ROC'), BSE Limited ('BSE') and/or other appropriate authorities, which may be agreed to by the Board and/or any committee thereof.
- 2) The Buy-Back Offer Size represents 7.63% of the aggregate paid-up equity share capital and free reserves of the Company as per the audited standalone financial statements of the Company as on September 30, 2022, and is within the statutory limit of 10.00% (Ten Percent) of the aggregate of the total paid-up equity share capital and free reserves of the Company, based on the standalone financial statements as on September 30, 2022, under the board approval route as per the provisions of the Companies Act and SEBI Buy-Back Regulations.
- 3) The Letter of Offer will be sent to the Equity Shareholder(s)/ Beneficial Owner(s) of Equity Shares as on the Record Date i.e., Friday, January 27, 2023, in accordance with the SEBI Buy-Back Regulations and such other circulars or notifications, as may be applicable.
- 4) The procedure for tendering shares and settlement is set out in paragraph 20 (*Procedure for Tendering Shares and Settlement*) on page no. 30 of this Letter of Offer. The form of acceptance cum acknowledgement ('Tender Form') along with share transfer form ('Form SH-4') is enclosed together with this Letter of Offer.
- 5) The procedure for Acceptance is set out in paragraph 19 (*Process and Methodology for the Buy-Back*) on page no. 26 of this Letter of Offer. The payment of consideration is in cash to the Eligible Shareholders. For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.29 (*Method of Settlement*) on page no. 36 of Letter of Offer.
- 6) A copy of the Public Announcement, the Draft Letter of Offer and the Letter of Offer (along with the Tender Form and Form SH-4) shall be available on the Company's website accessible at www.afslindia.in and is expected to be available and accessible on the websites of SEBI at www.sebi.gov.in, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and Registrar to the Buy-Back at www.cameoindia.com.
- 7) Eligible Shareholders are advised to read the Letter of Offer and in particular, refer to paragraph 17 (*Details of Statutory Approvals*) on page no. 25 of this Letter of Offer and paragraph 21 (*Note on Taxation*) on page no. 38 of this Letter of Offer before tendering their Equity Shares in the Buy-Back.

BUY-BACK PROGRAMME

BUY-BACK OPENS ON: TUESDAY, MARCH 14, 2023

BUY-BACK CLOSES ON: WEDNESDAY, MARCH 29, 2023

LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUY-BACK: THURSDAY, MARCH 30, 2023 by 5:00 PM (IST)

MANAGER TO THE BUY-BACK

BONANZA PORTFOLIO LIMITED

Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhat Road, Behind The Hub, Goregaon (East), Mumbai - 400 063, Maharashtra, India

Contact Person: Ms. Swati Agrawal

Contact Number: +91-22-62735500/ 68363700

Email: swati.agrawal@bonanzaonline.com

SEBI Registration Number: INM000012306

Corporate Identification Number: U65991DL1993PLC052280

REGISTRAR TO THE BUY-BACK

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, 1, Club House Road, Chennai - 600002

Contact Person: Ms. K. Sreepriya

Contact Number: 044 - 28460390

Fax Number: 044-28460129

Email: cameo@cameoindia.com/investor@cameoindia.com

Website: www.cameoindia.com

SEBI Registration Number: INR000003753

Corporate Identification Number: U67120TN1998PLC041613

TABLE OF CONTENTS

1. SCHEDULE OF ACTIVITIES.....	3
2. DEFINITIONS OF KEY TERMS.....	3
3. DISCLAIMER CLAUSE	6
4. TEXT OF RESOLUTION PASSED AT THE BOARD MEETING.....	8
5. DETAILS OF PUBLIC ANNOUNCEMENT.....	12
6. DETAILS OF THE BUY-BACK.....	12
7. AUTHORITY FOR THE BUY-BACK.....	14
8. OBJECTIVES/NECESSITY FOR THE BUY-BACK.....	14
9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUY-BACK.....	14
ON THE COMPANY	14
10. BASIS OF CALCULATING THE BUY-BACK PRICE.....	17
11. SOURCES OF FUNDS FOR THE BUY-BACK.....	17
12. DETAILS OF ESCROW ACCOUNT AND AMOUNT TO BE DEPOSITED THEREIN AND FIRM.....	18
FINANCIAL ARRANGEMENT	18
13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN.....	18
14. BRIEF INFORMATION OF THE COMPANY	20
15. FINANCIAL INFORMATION ABOUT THE COMPANY	22
16. STOCK MARKET DATA	23
17. DETAILS OF STATUTORY APPROVALS	24
18. DETAILS OF THE REGISTRAR TO THE BUY-BACK	25
19. PROCESS AND METHODOLOGY FOR THE BUY-BACK.....	25
20. PROCEDURE FOR TENDERING SHARES AND SETTLEMENT	30
21. NOTE ON TAXATION.....	38
22. DECLARATION FROM THE BOARD OF DIRECTORS.....	41
23. STATUTORY AUDITOR'S REPORT	42
24. DOCUMENTS FOR INSPECTION	43
25. DETAILS OF THE COMPLIANCE OFFICER.....	44
26. DETAILS OF REMEDIES AVAILABLE TO SHAREHOLDERS/ BENEFICIAL OWNERS	44
27. DETAILS OF THE INVESTOR SERVICE CENTRE	44
28. DETAILS OF THE MANAGER TO THE BUY-BACK.....	45
29. DECLARATION BY THE DIRECTORS	45
30. ENCLOSURES: OFFER FORM.....	45

1. SCHEDULE OF ACTIVITIES

Activity	Day and Date
Date of Board Meeting approving the proposal for the Buy-Back	Thursday, January 12, 2023
Date of the Public Announcement for the Buy-Back	Saturday, January 14, 2023
Date of publication of the Public Announcement for Buy-Back	Monday, January 16, 2023
Record Date for determining the Buy-Back Entitlement and the names of Eligible Shareholders	Friday, January 27, 2023
Buy-Back Opening Date	Tuesday, March 14, 2023
Buy-Back Closing Date	Wednesday, March 29, 2023
Last date of receipt of completed Tender Form and other specified documents by the Registrar	Thursday, March 30, 2023
Last date of verification of Tender Forms by Registrar to the Buy-Back	Thursday, April 06, 2023
Last date of intimation to the Designated Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar	Monday, April 10, 2023
Last date of completion of settlement of bids by the Clearing Corporation/ Designated Stock Exchange	Wednesday, April 12, 2023
Last date of dispatch of share certificate(s) by the Registrar to the Buy-Back/ unblocking/ return of unaccepted Equity Shares by Designated Stock Exchange to Eligible Shareholders/ Seller Broker	Wednesday, April 12, 2023
Last date for payment of consideration to Eligible Shareholders who participated in the Buy-Back	Wednesday, April 12, 2023
Last Date of Extinguishment of Shares bought back	Wednesday, April 05, 2023

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

2. DEFINITIONS OF KEY TERMS

- 2.1. This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies 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.
- 2.2. The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI Buy-Back Regulations, the Companies Act, 2013, the Depositories Act, 1996, and the rules and regulations made thereunder.

Term	Description
Acceptance/ Accept/ Accepted	Acceptance of Equity Shares tendered by Eligible Shareholders in the Buy-Back
Act or Companies Act	The Companies Act, 2013, as amended and rules framed thereunder
Acquisition Window	The facility for acquisition of Equity Shares through the mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with SEBI Circulars
Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buy-Back Entitlement of such Eligible Shareholder up to the extent of Equity Shares held by such Eligible Shareholder on the Record Date
Articles/ Articles of Association	Articles of association of the Company, as amended from time to time
Board/ Board of Directors	Board of Directors of the Company, which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by the resolution passed by the Board at its meeting held Thursday, January 12, 2023
Board Meeting	Meeting of the Board held Thursday, January 12, 2023 inter alia to approve the Buy-Back

Term	Description
BSE	BSE Limited
Buy-Back / Buy-Back Offer or Offer	Offer to Buy-Back up to 6,00,000 (Six Lakhs) fully paid up Equity Shares of Abirami Financial Services (India) Limited at a price of ₹28.00/- (Rupees Twenty-Eight Only) per fully paid-up Equity Share, payable in cash, on a proportionate basis through the Tender Offer route (through stock exchange mechanism)
Buy-Back Closing Date	Wednesday, March 29, 2023 being the last date up to which the tendering of shares by Eligible Shareholders will be allowed
Buy-Back Committee/ Committee	Buy-Back committee, comprising of Mrs. Chitra Sivaramakrishnan, Executive Director, Mr. M.G.Bhaskar, Independent Director and Mrs. Revathi Suresh Kumar, Independent Director of the Company, constituted and authorized for the purposes of the Buy-Back by a resolution passed by the Board at its meeting held on Thursday, January 12, 2023
Buy-Back Entitlement/ Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buy-Back, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio / percentage of Buy-Back applicable in the category to which such Eligible Shareholder belongs
Buy-Back Opening Date	Tuesday, March 14, 2023 being the date from which the tendering of Equity Shares by Eligible Shareholders will be allowed
Buy-Back Price/ Buy-Back or Offer Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e., ₹28.00/- (Rupees Twenty-Eight Only) per Equity Share, payable in cash
Buy-Back Period	The period between the date of the Board Meeting to approve the Buy-Back i.e., Thursday, January 12, 2023, and the date on which the payment of consideration is made to the Eligible Shareholders who have accepted the Buy-Back
Buy-Back Regulations/ SEBI Buy-Back Regulations	SEBI (Buy-Back of Securities) Regulations, 2018, as amended from time to time
Buy-Back Size/ Buy-Back Offer Size	Maximum number of Equity Shares proposed to be bought back i.e., not exceeding 6,00,000 (Six Lakhs) Equity Shares multiplied by the Buy-Back Price (i.e., ₹28.00/- (Rupees Twenty-Eight Only)) per Equity Share) aggregating to an amount not exceeding ₹1,68,00,000 (Rupees One Crore Sixty-Eight Lakhs Only). The Buy-Back Offer Size excludes Transaction Costs.
CIN	Corporate Identity Number
Clearing Corporation	Indian Clearing Corporation Limited
Company/ Our Company/ we/ us/ our	Abirami Financial Services (India) Limited
Company's Broker	Nikunj Stock Brokers Limited
Company Demat Account	A demat account of the Company wherein demat shares bought back in the Buy-Back would be transferred
Compliance Officer and Company Secretary	Mr. A.S. Arul Saravanan
Draft Letter of Offer/ DLOF	The draft letter of offer dated Monday, January 23, 2023, filed with SEBI through the Manager to the Buy-Back, containing disclosures in relation to the Buy-Back as specified in Schedule III of the SEBI Buy-Back Regulations.
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	BSE Limited
Director(s)	Director(s) of the Company
DIN	Director Identification Number
DP	Depository Participant
Equity Share(s) or Share(s)	Fully paid-up equity shares of the Company of face value of ₹10.00/- (Rupees Ten only) each
Eligible Person(s) or Eligible Shareholder(s)	Equity Shareholders eligible to participate in the Buy-Back and would mean all Equity Shareholders/ Beneficial Owners of the Equity Shares of the Company on the Record Date, being Friday, January 27, 2023, and do not include such Equity Shareholders/ Beneficial Owners of the Equity Shares who are not permitted under the applicable law to tender Equity Shares in the Buy-Back.
Escrow Account	Escrow account titled 'AFSL- Buyback Bank Escrow Account' opened with the Escrow Agent in accordance with SEBI Buy-Back Regulations

Term	Description
Escrow Agent	Kotak Mahindra Bank Limited
Escrow Agreement	The escrow agreement dated Friday, February 10, 2023 entered into between the Company, the Escrow Agent, and the Manager to the Buy-Back
FATCA	Foreign Account Tax Compliance Act
FEMA	Foreign Exchange and Management Act, 1999, as amended from time to time, including the regulations, circulars, directions and notifications issued thereunder
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
General Category	Eligible Shareholders other than the Small Shareholders
IPV	In person verification
IT Act/ Income Tax Act	The Income Tax Act, 1961, as amended
Letter of Offer/ LOF	The Letter of offer dated Wednesday, March 01, 2023 to be filed with SEBI through the Manager to the Buy-Back, containing disclosures in relation to the Buy-Back as specified in Schedule III of the SEBI Buy-Back Regulations and incorporating comments received from SEBI on the Draft Letter of Offer, if any
Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
Manager to the Buy-Back/ Manager to the Offer/ Manager	Bonanza Portfolio Limited
Management Rules	Companies (Management and Administration) Rules, 2014, as amended
Memorandum of Association/ MOA	Memorandum of Association of the Company, as amended from time to time
N.A.	Not applicable
Non-Resident Shareholders	Includes non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies), FII/ FPI etc.
Offer Period or Tendering Period	Period of 10 (Ten) Working Days from the Buy-Back Opening Date <i>i.e.</i> , Tuesday, March 14, 2023, to Buy-Back Closing Date <i>i.e.</i> , Wednesday, March 29, 2023 (both days inclusive)
OSV	Original seen and verified
PA/ Public Announcement	The public announcement dated Saturday, January 14, 2023, made in accordance with the SEBI Buy-Back Regulations, published on Monday, January 16, 2023, in the newspapers set out in paragraph 5 (Details of Public Announcement) of this Letter of Offer.
PAN	Permanent account number
Promoter Group	The promoter and promoter group of the Company as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the Buy-Back Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer (including the Tender Form) will be sent, and who are eligible to participate in the Buy-Back in accordance with the SEBI Buy-Back Regulations. The Record Date for the Buy-Back is Friday, January 27, 2023.
Registrar to the Buy-Back/ Registrar to the Offer/ Registrar	Cameo Corporate Services Limited
Reserved Category	Equity shares reserved for Small Shareholders
RoC	Registrar of Companies, Chennai
SEBI	Securities and Exchange Board of India
SEBI Circulars	SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI circular no. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, and such other circulars or notifications, as may be applicable, including any amendments or statutory modifications for the time being in force
Seller Member/ Seller	The stockbroker (who is member of the Designated Stock Exchange) of an

Term	Description
Broker	Eligible Shareholder through whom the order for selling the Equity Shares of Eligible Shareholders will be placed in the Acquisition Window
Small Shareholder	As defined under Regulation 2(i)(n) of the SEBI Buy-Back Regulations and in relation to the Buy-Back means an Eligible Shareholder who holds Equity Shares of market value of not more than ₹2,00,000.00 (Rupees Two Lakh only), on the basis of closing price on the recognized stock exchange registering the highest trading volume as on the Record Date
Share Capital Rules	Companies (Share Capital and Debentures) Rules, 2014, as amended
Shareholders/ Equity Shareholders/ Members/ Beneficial Owners	Holders of Equity Shares and includes beneficial owners thereof
Stock Exchange	BSE Limited
Stock Exchange Mechanism	The 'Mechanism for acquisition of shares through Stock Exchange' notified by SEBI Circulars
Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholder(s) to participate in the Buy-Back
Tender Offer	Method of Buy-Back as defined in Regulation 2(i)(q) of the SEBI Buy-Back Regulations
Transaction Costs	Expenses incurred or to be incurred for the Buy-Back viz. brokerage, costs, fees, turnover charges, taxes such as Buy-Back tax, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, filing fees, printing and dispatch expenses and other incidental and related expenses and charges
TRS	Transaction Registration Slip generated by the stock exchange bidding system
Working Day	Working day as defined in the SEBI Buy-Back Regulations

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

Page Numbers and Paragraph Numbers

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

Currency and Units of Presentation

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

Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Letter of Offer is derived from (i) the audited standalone financial statements for the fiscal years 2022, 2021 and 2020; (ii) our audited standalone financial statements as at and for the six months period ended September 30, 2022.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year (referred to herein as 'Fiscal', 'Fiscal Year' or 'FY').

Stock Market Data

Unless stated or the context requires otherwise, stock market data included in this Letter of Offer is derived from the website of BSE.

3. DISCLAIMER CLAUSE

- 3.1. As required, a copy of the Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of the 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 Buy-Back commitments or for the correctness of the statements made or opinions expressed in the Draft Letter of Offer. The Manager to the Buy-Back, Bonanza Portfolio Limited, has certified that the disclosures made in the Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and

SEBI Buy-Back Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buy-Back.

- 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 the Letter of Offer, the Manager to the Buy-Back 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 Buy-Back, Bonanza Portfolio Limited, has furnished to SEBI a due diligence certificate dated Monday, January 23, 2023 in accordance with SEBI Buy-Back Regulations which reads as follows:

'We have examined various documents and materials contained in the annexure to this letter, as part of the due-diligence carried out by us in connection with the finalisation of the public announcement dated Saturday, January 14, 2023 for the Buy-Back ('Public Announcement') which was published on Monday, January 16, 2023, and the Draft Letter of Offer dated Monday, January 23, 2023, ('Draft Letter of Offer'). On the basis of such examination and the discussions with the Company, we hereby state that:

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

- 3.3. The filing of the Draft Letter of Offer with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buy-Back.

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

- 3.5. The Promoter/ members of the Promoter Group/ Board of Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buy-Back.

3.6. Disclaimer for persons from the United States of America

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

3.7. Disclaimer for persons in foreign countries other than the United States of America

This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Buy-Back to a new or additional requirements or registration. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or such restrictions.

3.8. Important Notice to all Shareholders

This Letter of Offer has been prepared for the purposes of compliance with the SEBI Buy-Back Regulations. 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 Buy-Back are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. The Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members of the Company, as of the Record Date, as per the SEBI Buy-Back Regulations and such other circulars or notifications, as may be applicable. However, receipt of the Letter of Offer by any Equity Shareholders in a jurisdiction in which it would be illegal to make this Tender Offer, or where making this Tender Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buy-Back 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 Buy-Back.

3.9. Forward Looking Statements

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

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

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

4. TEXT OF RESOLUTION PASSED AT THE BOARD MEETING

The Buy-Back has been authorized and approved by the Board of Directors at their meeting held on Thursday, January 12, 2023. The text of the resolution passed by the Board is as follows:

Quote

EXTRACT OF RESOLUTION PASSED IN THE 157th MEETING OF THE BOARD OF DIRECTORS OF M/s. ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT OLD NO.11, NEW NO.2, PARTHASARATHYPURAM, 2ND STREET, T.NAGAR, CHENNAI – 600017 ON THURSDAY, THE 12TH DAY OF JANUARY, 2023 AT 10.30 A.M.

3. TO CONSIDER AND APPROVE THE PROPOSAL FOR BUYBACK OF FULLY PAID UP EQUITY SHARES OF RS. 10/- EACH OF THE COMPANY:-

“RESOLVED THAT pursuant to the provisions of Article 40 of the Articles of Association of the Company and in accordance with the provisions of sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), provisions contained in the Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended, (the “SEBI Buyback Regulations”) and any statutory modification(s) or re-enactment of the Act or Rules framed there under from time to time or SEBI Buyback Regulations, for the time being in force) as also such other approvals, permissions and sanctions of Securities and Exchange Board of India (“SEBI”) and / or other authorities, institutions or bodies (the “appropriate authorities”), as may be necessary and conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company

(hereinafter referred to as the "**Board**" which expression shall be deemed to include the "**Buyback Committee**" which the Board has authorized to exercise its powers, including the powers conferred by this resolution), the consent be and is hereby accorded to purchase by way of buyback offer up to 6,00,000 (Six Lakhs) fully paid up Equity Shares ("**Maximum Buy-Back Shares**") representing 10.00% of the fully paid-up Equity Share capital of the Company at a price not exceeding Rs.28.00/- (Rupees Twenty-Eight only) per Equity Share ("**Maximum Buy-Back Price**") payable in cash for an aggregate amount of up to Rs.1,68,00,000 (Rupees One Crore Sixty Eight Lakhs only), excluding transaction costs incurred viz. brokerage, advisor fees, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. or to be incurred for the Buy-Back (**the 'Buy-Back Size'**), which does not exceed 10% of the fully paid-up Equity Share capital and free reserves as per the audited financial statements of the Company as at and for the period ended September 30, 2022, respectively, through the Tender Offer mechanism (hereinafter referred to as the "**Buyback**");

RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback viz. brokerage, applicable taxes such as income tax, securities transaction tax, GST, stamp duty, any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors/ legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses (collectively "**Transaction Costs**")

RESOLVED FURTHER THAT the Company may implement the Buyback of upto 10% of its paid-up Equity Capital and free reserves of the Company as per the approval granted by way of this resolution pursuant to section 68 of the Companies Act, 2013, and in accordance with the SEBI Buyback Regulations;

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and placed before the meeting be and is hereby approved and Mr. Chitra Sivaramakrishnan, Wholetime Director of the Company and Mrs. Muthulakshmi Ganesh, 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 and the Securities and Exchange Board of India;

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders including Promoters, Promoters Group and Persons Acting in concert (such shareholders herein after collectively as "**Persons in Control**") and that persons in control will be such persons as have been disclosed as such under the filings made by the Company from time to time under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("**SEBI Takeover Regulations**")/ Shareholding patterns filed with the stock exchanges from time to time, as the Board may consider appropriate, from out of its free reserves and/or Share Premium Account and/or cash balances and/ or internal accruals and/or such other sources or by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit;

RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity shares in the Buyback Offer

RESOLVED FURTHER THAT Company has complied and shall continue to comply with section 70 of the Companies Act, 2013, "the Act" wherein:-

- It shall not directly or indirectly purchase its own shares:
 - (a) through any subsidiary company including its own subsidiary companies;
 - Or
 - (b) through any investment company or group of investment companies
- There are no defaults subsisting in the repayment of deposits or interest, redemption of debentures or preference shares or repayment of term loans or interest payable thereon to any financial institutions or banks.
- It has not defaulted in payment of dividend to its equity shareholders as per sections 205, 205A and 207 of the Companies Act, 1956 and corresponding sections of Companies Act, 2013.
- It has filed annual returns as envisaged in section of the Companies Act, 1956 and Companies Act, 2013
- It has complied and will continue to comply with sections 92, 123, 127 and 129 of the Companies Act, 2013

RESOLVED FURTHER THAT the Board do and hereby approve the appointment of **M/s. Bonanza Portfolio Limited**, a SEBI registered, Category I Merchant Banker as '**Manager**' to the Buyback, who has been appointed to act as a '**Manager**' to the Buyback by the Company.

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

- a) All Equity Shares of the Company are fully paid up;
- b) that the aggregate amount of the Buyback *i.e.* Rs 1,68,00,000 (Rupees One Crore Sixty Eight Lakhs Only) ("**Buyback Size**"), does not exceed 10% of the total paid-up capital and free reserves as per the audited standalone Financial Statement as on September 30, 2022;

- c) that the number of Shares proposed to be purchased under the Buyback i.e. **6,00,000** (Six Lakhs Only) Equity Shares of the Company (the “**Equity Shares**”) does not exceed 10% of the total number of Shares in the paid-up Equity Capital as per the audited standalone Financial Statement as on September 30, 2022;
- d) That there are no defaults subsisting in the repayment of Deposits, redemption of debentures or Preference Shares or repayment of term loans to any financial institutions or banks;
- e) that the debt equity ratio of the Company after the buyback will be well within the limit of 2:1 as prescribed under the Act.

RESOLVED FURTHER THAT as required by Clause (x) of Schedule I under Regulation 5(iv)(b) of the SEBI Buyback Regulations, the Board hereby confirms that based on such full inquiry conducted into the affairs and prospects of the Company, and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act, the Board of Directors has formed an opinion that:

- a) Immediately following the date of the Board meeting held on 12th January, 2023 there are no grounds on which the Company can be found unable to pay its debts;
- b) As regards the Company’s prospects for the year immediately following the date of the Board meeting held on 12th January, 2023 and having regard to the Board’s intention with respect to the Management of Company’s business during that year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- c) In forming an opinion as aforesaid, the Board of Directors have taken into account the liabilities, as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities)

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, CFD /DCR2 /CIR /P /2016 /131 dated December 9, 2016 and BSE notice no. 20170210-16 dated February 10, 2017 and the Company shall approach the stock exchanges, as may be required, for facilitating the same;

RESOLVED FURTHER THAT BSE Limited (“**BSE**”) shall act as the designated stock exchange for the purpose of the Buyback;

RESOLVED FURTHER THAT the buyback is being proposed in keeping with the Company’s desire to enhance overall shareholders’ value and the buyback would lead to reduction in total number of Equity Shares;

RESOLVED FURTHER THAT the powers of the Board in respect of buyback be and is hereby delegated to the **Buyback Committee** (“**BBC**”) comprising of Mrs. Chitra Sivaramakrishnan, Executive Director, Mr. M.G.Bhaskar, Independent Director and Mrs. Revathi Sureshkumar, Independent Director of the Company, (“**Members of the Committee**”). The BBC be and hereby authorized to take all necessary actions for executing the actions relating to the Buyback as above;

RESOLVED FURTHER THAT the BBC be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, including but not limited to finalizing the terms of buyback like the aggregate amount to be utilized for the buyback including the price and the number of Shares to be bought back within the statutory limits, the mechanism for the buyback, the timeframe for completion of the buyback, escrow arrangements, opening bank accounts for this purpose and authorizing persons to operate the said account, appointment of , brokers, escrow agents, printers, registrars, solicitors, depository participants and such other intermediaries/agencies for the implementation of the Buyback and carry out incidental documentation and to prepare applications and submit to the Appropriate Authorities for their requisite approvals as also to initiate all necessary actions for the preparation and issue of various documents including public announcement, draft and final letter of offer, declaration of solvency, extinguishment of Shares and certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Board;

RESOLVED FURTHER THAT the BBC be and is hereby authorized to delegate all or any of the authorities conferred on it to any Officer(s) / Authorized Signatory(ies) of the Company;

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

RESOLVED FURTHER THAT the buyback is subject to:

- a) the buyback not causing the Company to be in violation of the conditions for continuous listing prescribed in terms of Regulations 38 of the LODR Regulations read with Rule 19 (2) and Rule 19A of the Securities Contract (Regulation) Rules, 1957, i.e maintaining the minimum public shareholding at 25%;
- b) the Equity Shares that may be bought back do not exceed the maximum number of Shares permissible;

- c) the aggregate consideration payable pursuant to the buyback not exceeding the offer size; and
- d) complying with the statutory and regulatory timelines in respect of the buyback, on the terms and conditions as may be decided by the Board and in such manner as prescribed under the Act and / or the Regulations and any other applicable Laws.

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

- a) that the Company shall not issue and allot any equity shares including by way of bonus or convert any outstanding ESOPs/ outstanding instruments into equity shares, till the date of closure of this Buyback; and
- b) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback

RESOLVED FURTHER THAT as per the provisions of regulation 24(i)(b) of SEBI Buyback Regulations, the Company shall not issue any Equity Shares or other specified securities including by way of bonus till the date of expiry of buyback period for the Buyback Offer;

RESOLVED FURTHER THAT as per the provisions of regulation 24(i)(d) of SEBI Buyback Regulations, the Company shall not withdraw the Buyback Offer after the draft letter of offer is filed with SEBI;

RESOLVED FURTHER THAT the Company shall not Buyback the locked-in Equity Shares, if any and non-transferable Equity Shares, if any till the pendency of the lock-in or till the Equity Shares become transferable;

RESOLVED FURTHER THAT as per the provisions of regulation 24(i)(f) of SEBI Buyback Regulations, the Company shall not raise further capital for a period of six months from the closure of the Buyback offer, except in discharge of its subsisting obligations;

RESOLVED FURTHER THAT the Buyback from the shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors/Foreign Portfolio Investors, Non-Resident Indians, shareholders of foreign nationality, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders;

RESOLVED FURTHER THAT as per the provisions of section 68(8) of the Act, the Company will not issue fresh Equity Shares within a period of six months after the completion of the buyback except by way of bonus Shares or Shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of Preference Shares or debentures into Equity Shares;

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer and / or any obligation on the Company or the Board or the BBC to buyback any Shares and / or impair any power of the Company or the Board or the BBC to terminate any process in relation to such buyback, if so permissible by Law;

RESOLVED FURTHER THAT the Company does maintain a register of securities bought back wherein details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishment of Equity Shares and such other particulars as may be prescribed, shall be entered and that the Mrs. Chitra Sivaramakrishnan, Executive Director of the Company be and is hereby authorised to authenticate the entries made in the said register;

RESOLVED FURTHER THAT in compliance with Regulation 42(2) of the LODR Regulations, fixed Friday 27th January, 2023 as the **Record Date** for the Buyback Offer

RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorized to send the necessary intimations to the Stock Exchanges in regard to this resolution, as may be required under the Securities and Exchange Board of India (**Listing Obligations and Disclosure Requirements**) Regulations, 2015;

RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorize be and are hereby severally authorized to furnish a copy of this resolution certified as true to the relevant Authority (ies).

--//CERTIFIED TRUE COPY//--

For **Abirami Financial Services (India) Limited**

**MUTHULAKSHMI GANESH
DIRECTOR**

*Unquote***5. DETAILS OF PUBLIC ANNOUNCEMENT**

In accordance with Regulation 7(i) of the SEBI Buy-Back Regulations, the Company has made a Public Announcement for the Buy-Back dated January 14, 2023 which was published on January 16, 2023 in the newspapers mentioned below, which is within 2 (two) Working Days from the date of Board Meeting (i.e., January 12, 2023):

Publication	Language	Editions
Financial Express	English	All Edition
Jansatta	Hindi	Delhi edition
Madras Mani	Tamil	Chennai Edition

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

The Public Announcement is available on the websites of SEBI (www.sebi.gov.in) and BSE (www.bseindia.com).

6. DETAILS OF THE BUY-BACK

- 6.1. Pursuant to the resolution passed by the Board of Directors of the Company on January 12, 2023, the Company announced the Buy-Back of not exceeding 6,00,000 (Six Lakh) Equity Shares having face value of ₹10.00/- each (Rupees Ten only) (**'Equity Shares'**) (representing 10.00% of the total number of outstanding Equity Shares of the existing total paid-up equity capital of the Company as on the date of the Board Meeting) from the equity shareholders/beneficial owners of Equity Shares including the promoter and members of the promoter group of the Company as on January 27, 2023 (the **'Record Date'**), on a proportionate basis, through the **'tender offer'** process, in accordance with Article 40 of the Articles of Association of the Company, Sections 68, 69 and 70, and all other applicable provisions of the Companies Act, 2013, and applicable rules thereunder including the Share Capital Rules, the Management Rules and the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, to the extent applicable, SEBI Buy-Back Regulations, the Listing Regulations and SEBI Circulars and subject to such other approvals, permissions, sanctions as may be necessary and subject to any modifications and conditions, as may be prescribed by SEBI, ROC and/or other appropriate authorities, which may be agreed to by the Board and/or any committee thereof, at a price of ₹28.00/- (Rupees Twenty-Eight only) per Equity Share (**'Buy-Back Offer Price'**), payable in cash, for an aggregate consideration not exceeding ₹1,68,00,000 (Rupees One Crore Sixty Eight Lakhs only) excluding Transaction Costs (such maximum amount hereinafter referred to as (the **'Buy-Back Offer Size'**), on a proportionate basis, through the **'tender offer'** route as prescribed under the SEBI Buy-Back Regulations, from all of the equity shareholders of the Company who hold Equity Shares as of the Record Date (the process being referred hereinafter as the **'Buy-Back'**).
- 6.2. The Buy-Back Offer Size represents 7.63% of the aggregate paid-up equity share capital and free reserves of the Company as per the audited financial statements of the Company as on September 30, 2022, and is within the statutory limit of 10% of the aggregate of the total paid-up equity share capital and free reserves of the Company, based on both audited condensed standalone interim financial statements and audited condensed consolidated interim financial statements of the Company as on September 30, 2022, respectively. Further, under the Companies Act and SEBI Buy-Back Regulations, the number of Equity Shares that can be bought back in any financial year shall not exceed 25% of the total paid-up equity capital of the Company in that financial year. The Company proposes to Buy-Back not exceeding 6,00,000 (Six Lakh) Equity Shares of the Company, representing 10.00% of the total number of Equity Shares of the existing total paid-up equity share capital of the Company as on the date of the Board Meeting. Therefore, the number of Equity Shares proposed to be purchased under the Buy-Back does not exceed 25% of the total number of Equity Shares of the existing total paid-up equity share capital of the Company as on the date of the Board Meeting.
- 6.3. The Buy-Back is in accordance with Sections 68, 69 and 70 and all other applicable provisions, if any of the Companies Act, Article 40 of the Articles of Association of the Company and subject to the provisions of the SEBI Buy-Back Regulations, and such other approvals, permissions as may be required from time to time from the Stock Exchanges and/or from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buy-Back would be undertaken using the 'mechanism for acquisition of shares through stock exchange' in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and read with the SEBI's circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13 2021, including any amendments or statutory modifications for the time being in force (the **'SEBI Circulars'**). In this regard, the Company will request BSE Limited (**'BSE'**) to provide

a separate acquisition window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buy-Back. For the purposes of the Buy-Back, BSE Limited is appointed as the designated stock exchange (**‘Designated Stock Exchange’**). Once the Buy-Back is concluded, all Equity Shares bought back by the Company in the Buy-Back will be extinguished in terms of the SEBI Buy-Back Regulations.

- 6.4. The Equity Shares of the Company are listed on BSE Limited. The Buy-Back shall be undertaken on a proportionate basis from all the Eligible Shareholders (except any shareholders/beneficial owners who may be specifically prohibited under the applicable laws by Appropriate Authorities) through the tender offer process prescribed under Regulation 4(iv)(a) of the SEBI Buy-Back Regulations. Additionally, the Buy-Back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI vide the SEBI Circulars.
- 6.5. The Company confirms that as required under Section 68(2)(d) of the Companies Act and Regulation 4(ii) of SEBI Buy-Back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company to the fully paid-up share capital and free reserves shall be less than or equal to 2:1 after the proposed Buy-Back.
- 6.6. The funds for the implementation of the proposed Buy-Back (including the Transaction Costs) will be sourced out of the free reserves of the Company and/or such other sources as may be permitted by law. The funds borrowed from banks and financial institutions, if any, will not be used for the Buy-Back.
- 6.7. The Company shall transfer from its free reserves and/or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buy-Back to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statement.
- 6.8. The Buy-Back from the Eligible Shareholders who are Non-Resident Shareholders, shall be subject to such approvals, if any, and to the extent necessary or required from the concerned authorities including approvals from the RBI under the FEMA, and that such approvals shall be required to be taken by such Non-Resident Shareholders.
- 6.9. The aggregate shareholding in our Company of the (i) promoter; (ii) members of the promoter group and (iii) persons who are in control of the Company, as on the date of the Board Meeting *i.e.*, January 12, 2023 and the date of the Public Announcement *i.e.*, January 14, 2023 is as follows:

Sr. No.	Name of the shareholder	Category	No. of Equity Shares held	% of paid-up equity share capital
1.	K. V. Aiyappan	Promoter	24,65,000	41.08
2.	Sati Teckchand Vaswani	Promoter	10,80,000	18.00

- 6.10. In terms of the SEBI Buy-Back Regulations, under Tender Offer route, the promoter and members of the promoter group and persons in control of the Company have the option to participate in the Buy-Back. In this regard, the Promoters vide letter dated Wednesday, January 11, 2023, have expressed their intention to participate in the Buy-Back and may tender up to a maximum number of Equity Shares as detailed below or such lower number of equity shares as permitted under applicable law:

Sr. No.	Name of the shareholders	Category	Maximum no. of Equity Shares which may be tendered
1.	K. V. Aiyappan	Promoter	upto 2,46,500
2.	Sati Teckchand Vaswani	Promoter	upto 1,08,000

- 6.11. The Buy-Back will not result in any benefit to the promoter, the members of the promoter group, persons in control of the Company or any directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buy-Back in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buy-Back, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buy-Back. Any change in voting rights of the Promoter Group of the Company pursuant to completion of Buy-Back will not result in any change in control over the Company.
- 6.12. The Buy-Back of Equity Shares may be subject to taxation in India and/ or in the country of residence of the Eligible Shareholders. The transaction of Buy-Back would also be chargeable to securities transaction tax in India. Please refer (Note on taxation) set out in paragraph 21, which contains a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buy-Back.

- 6.13. Pursuant to the proposed Buy-Back and depending on the response to the Buy-Back, the aggregate voting rights in the Company of the Promoter and Promoter Group and persons in control of the Company may change from the existing shareholding of the total equity capital and voting rights of the Company. Assuming response to the Buy-Back is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their Entitlement, the aggregate shareholding of the Promoter Group and the persons in control of the Company, post Buy-Back will be 59.80% of the post Buy-Back equity share capital of the Company. For further details, please refer to paragraph 13.6 of this Letter of Offer.
- 6.14. The Buy-Back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations.

7. AUTHORITY FOR THE BUY-BACK

The Buy-Back is being undertaken by the Company in accordance with Article 40 of the Articles of Association of the Company, Sections 68, 69 and 70, and all other applicable provisions of the Companies Act, 2013, and applicable rules thereunder including the Share Capital Rules and the Management Rules and the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, to the extent applicable, the SEBI Buy-Back Regulations, the Listing Regulations and SEBI Circulars and subject to such other approvals, permissions, sanctions as may be necessary and subject to any modifications and conditions, as may be prescribed by SEBI, ROC and/or other appropriate authorities, which may be agreed to by the Board and/or any committee thereof. The Board, at its meeting held on January 12, 2023, passed a resolution approving the Buy-Back.

8. OBJECTIVES/NECESSITY FOR THE BUY-BACK

8.1. The Buy-Back is being proposed by the Company to return surplus funds to the Eligible Shareholders, which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, efficient and cost-effective manner. Additionally, the Company's management strives to increase the Eligible Shareholders' value and the Buy-Back would result in the following benefits, amongst other things:

- The Buy-Back will improve financial ratios like earnings per share, return on capital employed, return on equity, calculated on the basis of financial statements, by reduction in the equity base of the Company, thereby leading to long term increase in shareholders' value;
- The Buy-Back will help in achieving an optimal capital structure;
- The Buy-Back, which is being implemented through the tender offer route as prescribed under the SEBI Buy-Back Regulations, would involve allocation of number of equity shares as per the entitlement of the shareholders or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as 'small shareholder' as per Regulation 2(i)(n) of the SEBI Buy-Back Regulations;
- The Buy-Back gives an option to the Eligible Shareholders to either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-Back or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment.

8.2. After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buy-Back not exceeding 6,00,000 (Six Lakh) Equity Shares representing 10.00% of the total paid-up equity capital of the Company at price of ₹28.00/- (Rupees Twenty-Eight only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding ₹1,68,00,000/- (Rupees One Crore Sixty Eight Lakhs only) excluding Transaction cost, which represents 7.63% of the aggregate of the Company's paid-up equity share capital and free reserves as per the audited financial statements of the Company as on September 30, 2022, (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buy-Back).

9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUY-BACK ON THE COMPANY

9.1. We believe that the Buy-Back is not likely to cause any impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have been otherwise deployed towards generating investment income. Assuming there is full participation in the Buy-Back, the funds deployed by the Company towards the Buy-Back (excluding Transaction Costs) would not be exceeding ₹1,68,00,000/-

(Rupees One Crore Sixty Eight Lakhs only). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments. With a likely reduction in the equity share capital base, the Buy-Back will likely improve the return on net worth or return on equity ratio.

- 9.2. We believe that the Buy-Back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buy-Back is being undertaken, inter alia, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, enhancing the overall return to the Equity Shareholders.
- 9.3. Pursuant to the proposed Buy-Back and depending on the response to the Buy-Back, the voting rights of the Promoter and members of the Promoter Group in the Company may increase or decrease from the existing shareholding from the total paid-up Equity Share capital and voting rights of the Company. The Buy-Back will not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.4. The aggregate shareholding in our Company of the (i) promoter; (ii) members of the promoter group and (iii) persons who are in control of the Company as on the date of the Public Announcement and this Letter of Offer is as follows:

Sr. No.	Name of the shareholder	Category	No. of Equity Shares held	% of paid-up equity share capital
1.	K. V. Aiyappan	Promoter	24,65,000	41.08
2.	Sati Teckchand Vaswani	Promoter	10,80,000	18.00

- 9.5. Intention of the promoters and members of the promoter group to participate in the Buy-Back:

In terms of the SEBI Buy-Back Regulations, under Tender Offer route, the promoter and members of the promoter group and persons in control of the Company have the option to participate in the Buy-Back. In this regard, the Promoters *vide* letter dated Wednesday, January 11, 2023, has expressed its intention to participate in the Buy-Back and may tender up to a maximum number of Equity Shares as detailed below or such lower number of equity shares as permitted under applicable law:

Sr. No.	Name of the shareholders	Category	Maximum no. of Equity Shares which may be tendered
1.	K. V. Aiyappan	Promoter	upto 2,46,500
2.	Sati Teckchand Vaswani	Promoter	upto 1,08,000

- 9.6. The details of the date and price of transaction of the Equity Shares by the promoters who intend to participate in the Buy-Back are set out below:

Sati Teckchand Vaswani

Date of the Transaction	Nature of transaction	No. of equity shares	Nominal value (₹)	Issue price/ transfer price (₹)	Consideration (Cash, other than cash)	Cumulative no. of Equity Shares
14/09/2015	Transmission of shares from Teckchand Vaswani	10,80,000	10	-	Other than cash	10,80,000

Note:

As on 01st April 2015, Teckchand Vaswani held 10,80,000 Equity Shares. On 14/09/2015 the said Equity shares were transmitted to Sati Teckchand Vaswani.

- 9.7. The Buy-Back will not result in any benefit to the members of the Promoter Group, persons in control of the Company or any Director except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buy-Back in their capacity as Equity Shareholders of the Company, and the change in their shareholding as per the response received in the Buy-Back, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buy-Back.
- 9.8. The present shareholding of the Promoter and members of Promoter Group in the Company is at 59.08%. Assuming the response to the Buy-Back is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their

Entitlement including the Promoter, the aggregate shareholding and the voting rights of the Promoter and members of the Promoter Group, will remain unchanged post Buy-Back from the current pre Buy-Back shareholding of 59.08%, and the aggregate shareholding of the public Shareholders in the Company will remain unchanged post Buy-Back from the current pre Buy-Back shareholding of 40.92%. Hence the Buyback will not result in any change in control of the Company.

- 9.9. Consequent to the Buy-Back and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding under each category would undergo a change. Please refer to paragraph 13.6 for further details.
- 9.10. The debt-equity ratio post Buy-Back on standalone as well as consolidated basis will be compliant with the permissible limit of 2:1 prescribed under Section 68(2)(d) of Companies Act and Regulation 4(ii) of the SEBI Buy-Back Regulations, even if the response to the Buy-Back is to the extent of 100% (full acceptance) from all the Eligible Shareholders.
- 9.11. The Company shall not issue and allot any Equity Shares or other specified securities (including by way of bonus) from the date of the Board Meeting till the expiry of the Buy-Back Period, i.e., the date on which the payment of consideration is made to the Eligible Shareholders who have accepted the Buy-Back.
- 9.12. Unless otherwise specifically permitted by any relaxation issued by SEBI and/ or any other regulatory authority, the Company shall not raise further capital for a period of 1 (one) year, as prescribed under the provisions of Regulation 24(i)(f) of the SEBI Buy-Back Regulations, from the expiry of the Buy-Back Period, i.e., the date on which the payment of consideration is made to the Eligible Shareholders who have accepted the Buy-Back, except in discharge of its subsisting obligations. Further, the Company shall not issue and allot any Equity Shares or other specified securities (including by way of bonus) from the date of the Board Meeting till the expiry of the Buy-Back Period, i.e., the date on which the payment of consideration is made to the Shareholders who have accepted the Buy-Back. The Company, as per the provisions of Section 68(8) of the Companies Act, will not make a further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) of the Companies Act or other specified securities within a period of 6 (six) months except by way of a bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.
- 9.13. As per Regulation 24(i)(e) of the SEBI Buy-Back Regulations, the members of the Promoter Group, and their associates, shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the members of the Promoter Group) from the date of Board Meeting till the closing of the Buy-Back offer.
- 9.14. Salient financial parameters consequent to the Buy-Back based on audited financial statements of the Company on March 31, 2022 are set forth below:

Parameters	Pre-Buy-Back	Post-Buy-Back*
Net worth (₹ in lakhs)	2202.73	2034.73
Return on Networth (%)	64.85%	70.20%
Earnings Per Share (₹) (of ₹ 10 each) (not annualized)		
- Basic (₹)	23.81	26.45
- Diluted (₹)	23.81	26.45
Book Value per Share (₹)	36.71	37.68
P/E ratio**	0.96	0.86
Total Debt/ Equity Ratio	NA	NA

* The post-Buy-Back numbers are calculated by reducing the net worth by the proposed Buy-Back amount and the amount of share capital bought back (assuming full acceptance), without factoring in tax on buy back of shares and any impact in the statement of profit & loss and other transaction costs. Assuming full acceptance of Equity Shares in the Buy-Back offer in the ratio of Buy-Back.

** Share price used to calculate P/E ratio has been taken as closing price of January 12, 2023, being the intimation date for the Board Meeting held for the purpose of Buy-Back, on BSE i.e., ₹22.78.

Note:

1. Networth = Equity Share Capital + Other Equity – Revaluation Reserves – Miscellaneous Expenditure.

2. Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings.

The key ratios have been computed as below:

Basic Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted Average number of Shares outstanding during the period/year
Diluted earnings per share (₹)	Net profit attributable to the equity shareholders / Weighted Average number of Shares outstanding during the period/year
Book Value per Share (₹)	Networth (Paid up Equity Share Capital + Other equity) / No. of Equity Shares outstanding at the end of the period/year
Price/Earnings Ratio	Market Value per Share / Earnings per Share Market value has been taken as ₹22.78/- (price on BSE as of January 12, 2023, being closing price at the date of intimation to the Board Meeting, for considering the Buy-Back).
Return on Networth (%)	Net Profit After Tax/ Net Worth at the period/ year end (excluding revaluation reserves and miscellaneous expenditure)
Total Debt Equity Ratio	(Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings) / Net Worth

10. BASIS OF CALCULATING THE BUY-BACK PRICE

10.1. The Equity Shares are proposed to be bought back at a price of ₹28.00 (Rupees Twenty-Eight only) per Equity Share. The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited to trends in the volume weighted average prices of the Equity Shares traded on the Stock Exchange where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of the Buy-Back on the earnings per Equity Share.

10.2. The Buy-Back Offer Price represents

10.2.1. Premium of 180.85% over the volume weighted average market price of the Equity Shares on BSE, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back;

10.2.2. Premium of 131.60% over the volume weighted average market price of the Equity Shares on BSE for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back.

10.2.3. The closing market price of the Equity Shares as on the Intimation Date was ₹22.78/- on BSE Limited.

For trends in the market price of the Equity Shares, please refer to paragraph 16 (Stock Market Data) of this Letter of Offer. For details of salient financial parameters, both pre-Buy-Back and post-Buy-Back, based on the audited financial statements of the Company on March 31, 2022, please refer to paragraph 9.14 of this Letter of Offer.

11. SOURCES OF FUNDS FOR THE BUY-BACK

11.1. The maximum amount required under the Buy-Back will not exceed ₹1,68,00,000/- (Rupees One Crore Sixty-Eight Lakhs only) excluding the Transaction Costs.

11.2. In accordance with the provisions of the Companies Act and the SEBI Buy-Back Regulations, the Buy-Back Size of ₹1,68,00,000/- (Rupees One Crore Sixty-Eight Lakhs only) excluding Transaction Costs, represents 7.63% of the aggregate of the Company's paid-up equity share capital and free reserves as per the audited financial statements of the Company as on September 30, 2022, respectively, and it does not exceed 10% of the aggregate of the fully paid up equity share capital and free reserves of the Company as per the audited financial statements as on September 30, 2022.

11.3. The funds for the implementation of the proposed Buy-Back (including the Transaction Costs) will be sourced out of the free reserves of the Company and/or such other sources as may be permitted by law. The funds borrowed from banks and financial institutions, if any, will not be used for the Buy-Back.

11.4. The Company shall transfer from its free reserves and/or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buy-Back to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statement.

12. DETAILS OF ESCROW ACCOUNT AND AMOUNT TO BE DEPOSITED THEREIN AND FIRM FINANCIAL ARRANGEMENT

12.1. In accordance with Regulation 9(xi) of the SEBI Buy-Back Regulations, an escrow agreement will be entered into amongst the Company, Manager to the Buy-Back and the Escrow Agent on Friday, February 10, 2023.

12.2. In accordance with the SEBI Buy-Back Regulations and pursuant to the Escrow Agreement, an Escrow Accounts in the name and style 'AFSL- Buyback Bank Escrow Account' bearing account number 9047234751 will be opened with the Escrow Agent, namely, Kotak Mahindra Bank Limited having its office at 27 BKC, C27, C Block. BandraKurla Complex. Bandra (East), Mumbai- 400051. The Company will deposit an amount of ₹42,00,000/- in the Escrow Account in cash *i.e.*, an amount equivalent to the aggregate of 25% of ₹1,68,00,000, by way of security for fulfillment of its obligations under the Buy-Back, on or before the Buy-Back Opening Date, in compliance with the provisions under Regulation 9(xi) of the SEBI Buy-Back Regulations. In accordance with the SEBI Buy-Back Regulations, the Manager to the Buy-Back has been empowered to operate the Escrow Account.

12.3. The Company has adequate and firm financial resources to fulfil the obligations under the Buy-Back. Mr. T.S. Gobinathan (Membership No. 025094), proprietor at TSG & Associates, Chartered Accountants (Firm Registration No. 013133S) having its office at Flat No.6, Nanchil Crown, Plot No.C-36B, Thiruvalluvar Nagar Main Road, Alandur, Chennai-600016, Tamil Nadu (Tel. No.: +91-9884828276, 9003021692/223321704) has certified through its certificate dated January 12, 2023 that the Company has adequate and firm financial resources for undertaking and fulfilling all its obligations arising out of or in relation to the Buy-Back, in accordance with the SEBI Buy-Back Regulations.

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

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1. The present capital structure of the Company as on the date of this Letter of Offer is as follows:

Parameters	Pre-Buy-Back
Authorised Share Capital	
1,20,00,000 Equity Shares of ₹ 10/- each	₹ 12,00,00,000
Total	₹ 12,00,00,000
Issued, Subscribed and Fully Paid-Up Share Capital	
60,00,000 Equity Shares of ₹ 10/- each	₹ 6,00,00,000
Total	₹ 6,00,00,000

13.2. Assuming full acceptance in the Buy-Back of 6,00,000 Equity Shares, the capital structure post Buy-Back would be as follows:

Parameters	Post-Buy-Back [#]
Authorised Share Capital	
1,20,00,000 Equity Shares of ₹ 10/- each	₹ 12,00,00,000
Total	₹ 12,00,00,000
Issued, Subscribed and Fully Paid-Up Share Capital	
54,00,000 Equity Shares of ₹ 10/- each	₹ 5,40,00,000
Total	₹ 5,40,00,000

[#] The post-Buy-Back issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back

13.3. As on the date of the Letter of Offer, the Equity Shares are fully paid up and there are no partly paid-up equity shares.

13.4. As on the date of the Letter of Offer, there are no convertible debentures or preference shares or any other convertible instruments of the Company.

- 13.5. The Company has not undertaken any Buy-Back program in the last 3 (three) years.
- 13.6. The shareholding pattern of the Company before the Buy-Back (*i.e.*, as on the Record Date), and after the Buy-Back (assuming full acceptance of 6,00,000 Equity Shares in the Buy-Back), is as follows:

Category of Shareholder	No. of Shares Pre Buy-Back	% to the existing Equity Share capital	No. of Shares Post-Buy-Back [#]	% to the existing Equity Share Capital
Promoter, the Promoter Group and persons acting in concert	35,45,000	59.08	31,90,500	59.08
Shareholding of the Non Promoter(s): Others (Individuals, Bodies Corporate, Employees, Including Non-Resident Indians, etc.)	24,55,000	40.92	22,09,500	40.92
Total	60,00,000	100.00	54,00,000	100.00

Assuming the full Acceptance of 6,00,000 Equity Shares in the Buy-Back in accordance with the Buy-Back Entitlement for all Eligible Shareholders. However, the post-Buy-Back shareholding pattern may differ depending upon the actual number of Equity Shares bought back.

- 13.7. The aggregate shareholding in the Company of (a) the Promoter, the members of the Promoter Group and persons in control of the Company; (b) the director(s)/ trustee(s) of the companies/ trusts forming part of the Promoter Group; and (c) the Directors and key managerial personnel of the Company, as on the date of the Board Meeting and the Public Announcement, is as follows:

- 13.7.1. The aggregate shareholding in our Company of the (i) promoter; (ii) members of the promoter group and (iii) persons who are in control of the Company, as on the date of the Board Meeting and the Public Announcement is as follows:

Sr. No.	Name of the shareholder	Category	No. of Equity Shares held	% of paid-up equity share capital
1.	K. V. Aiyappan	Promoter	24,65,000	41.08
2.	Sati Teckchand Vaswani	Promoter	10,80,000	18.00

- 13.7.2. None of the director(s)/ trustee(s) of the companies/ trusts forming part of the Promoter and Promoter Group, hold any Equity Shares in the Company as on the date of the Board Meeting and Public Announcement.

- 13.7.3. The aggregate shareholding of the directors of the Company (**'Directors'**) and the key managerial personnel of the Company (**'KMPs'**) of the Company, as on the date of the Board Meeting and Public Announcement is as follows:

Sr. No.	Name of the shareholders	Designation	No. of Equity Shares	% of paid-up equity share capital
1.	K. V. Aiyappan	Promoter & Chairman	24,65,000	41.08

- 13.8. No Equity Shares or other specified securities of the Company were either purchased or sold (either through the stock exchange or off market transactions) by any of the promoters, members of the promoter group, Directors, Key Managerial Personnel, director(s) / trustee(s) of the promoters/ members of the promoter group, where such promoter is a company / trust and of persons who are in control of the Company during a period of 6 (six) months preceding the date of the Board Resolution, *i.e.* January 12, 2023, and during the period of 12 (twelve) months preceding the date of the Public Announcement.
- 13.9. Assuming response to the Buy-Back is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Entitlement including Promoter who has expressed its intention to participate, the aggregate shareholding of the Promoter and members of the Promoter Group, post Buy-Back will remain unchanged *i.e.*, 59.08%.
- 13.10. There are no pending schemes of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act (**'Scheme'**) involving the Company, as on date.

14. BRIEF INFORMATION OF THE COMPANY

- 14.1. The Company was incorporated as Abirami Financial Services (India) Limited on April 19, 1993 as a public limited company under the provisions of the Companies Act, 1956. The registered office of the Company is Old No. 11, New No. 2, Parthasarathypuram, 2nd Street, T.Nagar Chennai-600017, Tamil Nadu, India. The Corporate Identification Number of the Company is L65993TN1993PLC024861.
- 14.2. The Equity Shares of the Company are listed at BSE (scrip code: 511756) since April 19, 1995. The ISIN of the Equity Shares is INE195I01013.
- 14.3. The paid-up equity share capital of the Company as on September 30, 2022 was ₹6,00,00,000/- (Rupees Six Crore only). The total free reserves of the Company as of the period ended September 30, 2022 was ₹16,02,73,103/- (Rupees Sixteen Crores Two Lakhs Seventy Three Thousand One Hundred and Three only).

14.4. History and Growth of Business:

Abirami Financial Services (India) Ltd. is engaged in the business of Hire purchase, Leasing and Lending Money against Securities, Movable and immovable properties. The Company is also registered as a Non-Banking Financial Company with the Reserve Bank of India.

14.5. Financial Growth:

For the financial years ended March 31, 2022, 2021 and 2020, the Company recorded, total income of ₹46,36,852, ₹51,07,989 and ₹68,77,839, respectively. The net loss after tax for the financial years ended March 31, 2022, 2021 and 2020 was ₹ (18,68,862), ₹(11,93,103) and ₹15,98,818, respectively. For further details on financial information about the Company for the financial years ended March 31, 2022, 2021 and 2020, refer to paragraph 15 (*Financial Information about the Company*) of this Letter of Offer.

14.6. Following is the equity share capital history of the Company since inception:

Date of Allotment	No. of Equity Shares	Face Value per Equity Share (in INR)	Issue Price per Equity Share (in INR)	Nature of Consideration	Type of Issue	Cumulative paid-up capital
19/04/1993	700	100	100	Cash	Preferential Issue	7,0000
11/08/1993	37,000	100	100	Cash	Preferential Issue	3,77,0000
01/11/1993	40,000	100	100	Cash	Preferential Issue	7,77,0000
13/12/1993	10,400	100	100	Cash	Preferential Issue	88,10,000
23/01/1994	10,000	100	100	Cash	Preferential Issue	98,10,000
21/03/1994	1,900	100	100	Cash	Preferential Issue	1,00,00,000
18/07/1994	30,000	100	100	Cash	Preferential Issue	1,30,00,000
17/10/1994	4,60,000	10	10	Cash	Preferential Issue	1,76,00,000
08/04/1995	12,40,000	10	10	Cash	4,90,000 Shares Preferential Issue 7,50,000 Shares Public Offer	3,00,00,000
10/03/1997	30,00,000	10	10	Cash	Rights Issue	6,00,00,000

14.7. The details of the Board of Directors of the Company as on the date of the Public Announcement is as follows:

Name, Occupation, Age and DIN	Designation	Qualifications	Date of Appointment/ Reappointment	Other Directorships
Mr. Aiyappan Kallidaikuruchi Visweswaran Occupation: Business Age: 73 years DIN: 00117641	Non-Executive Director and Chairperson	Post Graduate in Science	April 19, 1993	1. Uma Apparels Private Limited 2. Yoha Securities Limited 3. Sumeru Soft Private Limited 4. Sumeru Media and Communications Private Limited 5. Abirami Enterprises Limited
Mrs. Muthulakshmi Occupation: Business Age: 69 years DIN: 00286658	Director	Masters in Science	March 31, 2015	1. Uma Apparels Private Limited 2. Yoha Securities Limited 3. Ashwin Commodities Private Limited 4. Sumeru Soft Private Limited 5. Sumeru Media And Communications Private Limited
Mrs. Chitra Sivaramakrishnan Occupation: Business Age: 68 years DIN: 00292725	Executive Director	Post Graduate in MSc Mathematics	August 01, 2022	Xanadu Travels Private Limited
Mr. Arunachalam Kanaga Sabesan Occupation: Business Age: 74 years DIN: 02238098	Independent Director	B.Sc, MS, ACIB, CAIIB	September 30, 2021	None
Mr. Munjurpet Bhaskar Gopu Occupation: Business Age: 62 years DIN: 07527509	Independent Director	M.Com, MBA, MS (P and C), Ph.D	June 20, 2016	Involve Evolutions LLP
Mrs. Revathi Sureshkumar Occupation: Business Age: 51 years DIN: 08507052	Independent Director	B.Com	September 30, 2021	Xanadu Travels Private Limited

14.8. The details of changes in Board of Directors during the last 3 (three) years preceding the date of the Public Announcement are as under:

Sr. No.	Name	Appointment / Reappointment / Resignation/ Cessation	Effective Date	Reason
1.	Mr. P. Sankaran	Cessation	01/08/2022	End of tenure of appointment
2.	T. V. Srinivasan	Cessation	30/09/2021	End of tenure of appointment
3.	K. M. Narasimhan	Cessation	30/09/2021	End of tenure of appointment
4.	Mrs Chitra Sivaramakrishnan	Appointment	01/08/2022	NA
5.	Mr. Arunachalam Kanaga Sabesan	Appointment	30/09/2021	NA
6.	Mrs. Revathi Sureshkumar	Appointment	30/09/2021	NA

14.9. The Buy-Back will not result in any benefit to promoter, the members of the promoter group, persons in control of the Company or any directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buy-Back in their capacity as Equity Shareholders of the Company, and the change in their shareholding as per the response received in the Buy-Back, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buy-Back. Any change in voting rights of the Promoter Group of the Company pursuant to completion of Buy-Back will not result in any change in control over the Company.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1. The brief audited financial information of the Company as extracted from the audited financial statements of the Company for the six months period ended on September 30, 2022 and the last 3 (three) financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 are as provided below:

Key Financials	For the six months ended September 30, 2022 (Audited- Ind AS)	For the year ended March 31, 2022 (Audited- Ind AS)	For the year ended March 31, 2021 (Audited- Ind AS)	For the year ended March 31, 2020 (Audited- Ind AS)
Total Revenue from Operations	-	-	-	-
Other Income	19,10,54,827	46,36,852	51,07,989	68,77,839
Total Income	19,10,54,827	46,36,852	51,07,989	68,77,839
Total Expenses (excluding finance cost, depreciation & amortisation, tax & exceptional items)	81,62,562	55,84,330	52,39,982	37,40,822
Finance Cost	1,548	3,426	2,858	1640
Depreciation Expense	44,424	9,17,958	10,58,252	9,82,099
Exceptional Items: Expense / (Income)	-	-	-	-
Profit Before Tax	18,28,46,293	(18,68,862)	(11,93,103)	21,53,278
Tax Expenses (incl Deferred Tax)	4,00,00,000	-	-	5,54,460
Profit/ (Loss) After Tax	14,28,46,293	(18,68,862)	(11,93,103)	15,98,818
Other Comprehensive Income/ (Loss) for the year net of tax	-	-	-	-
Total Comprehensive income for the year	14,28,46,293	(18,68,862)	(11,93,103)	15,98,818
Paid-up Equity Share Capital	6,00,00,000	6,00,00,000	6,00,00,000	6,00,00,000
Reserves & Surplus*	16,02,73,103	1,74,26,810	1,92,95,672	2,04,88,775
Net worth*	22,02,73,103	7,74,26,810	7,92,95,672	8,04,88,775
Total Debt				

(Amount in ₹, except certain ratios)

Particulars	For the six months ended September 30, 2022 (Audited-Ind AS) [@]	For the year ended March 31, 2022 (Audited-Ind AS)	For the year ended March 31, 2021 (Audited-Ind AS)	For the year ended March 31, 2020 (Audited-Ind AS)
Earnings per Share (₹)				
- Basic (₹)	23.81	-0.31	-0.20	0.27
- Diluted (₹)	23.81	-0.31	-0.20	0.27
Book Value per Share (₹)	36.71	12.90	13.22	13.41
Return on Net Worth (%)	64.85%	-2.41%	-0.02%	0.02%
Total Debt/ Equity Ratio	NA	NA	NA	NA

[@]Not Annualized

The key ratios have been computed as below:

Basic Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted Average number of Shares outstanding during the period/year
Diluted Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted Average number of Shares outstanding during the period/year
Book Value per Share (₹)	Networth (Paid up Equity Share Capital + Other equity) / No. of Equity Shares outstanding at the end of the period/year
Return on Networth (%)	Net Profit After Tax/ Net Worth at the period/year end (excluding revaluation reserves and miscellaneous expenditure)
Total Debt/ Equity Ratio	Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings / Net Worth

15.2. The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, wherever and if applicable. The Company hereby declares that it has complied with and will comply with Sections 68, 69 and 70 and other applicable provisions of the Companies Act, as may be applicable to the Buy-Back.

16. STOCK MARKET DATA

16.1. The Equity Shares of the Company are listed on BSE. The Equity Shares are currently traded under the scrip code 511756 at BSE.

16.2. The high, low and average market prices in preceding 3 (three) financial years and the monthly high, low and average market prices for the 6 (six) months preceding the date of the Public Announcement, and the corresponding volumes on BSE are given below:

Period	High# (INR)	Date of High Price	Number of Equity Shares traded on that date	Low# (INR)	Date of Low Price	Number of Equity Shares on that date	Average Price* (INR)	Total volume traded of Equity Shares in the period (number of Equity Shares)
Preceding 3 (three) years								
April 1, 2021 to March 31, 2022	6.42	January 03, 2022	4942	2.87	August 30, 2021	4371	4.02	1,67,578
April 1, 2020 to March 31, 2021	5.74	April 29, 2020	100	2.55	October 12, 2020	1748	4.14	35,866
April 1, 2019 to March 31, 2020	8.66	May 03, 2019	1000	5.74	March 09, 2020	11	7.16	2,525
Preceding 6 (six) months								
February 01, 2023 to February 28, 2023	23.55	February 01, 2023	172	16.3	February 20, 2023	8125	19.69	61,189
January 01, 2023 to January 31, 2023	32.01	January 23, 2023	14183	15.44	January 02, 2023	150	23.92	2,60,099
December 01, 2022 to December 31, 2022	14.71	December 30, 2022	325	7.47	December 05, 2022	10	10.71	23,005
November 01, 2022 to November 30, 2022	7.47	November 21, 2022	05	7.12	November 7, 2022	164	7.35	249

Period	High# (INR)	Date of High Price	Number of Equity Shares traded on that date	Low# (INR)	Date of Low Price	Number of Equity Shares on that date	Average Price* (INR)	Total volume traded of Equity Shares in the period (number of Equity Shares)
October 01, 2022 to October 31, 2022	7.12	October 10, 2022	1,601	7.12	October 10, 2022	2025	7.12	2320
September 01, 2022 to September 30, 2022	7.12	September 19, 2022	136	6.79	September 05, 2022	22	6.96	259

Source: www.bseindia.com

*Arithmetical average of closing prices

#High and low are based on high and low of daily high and daily low prices respectively

- 16.3. The notice of the Board Meeting convened to consider the proposal of the Buy-Back was given to the BSE on January 12, 2023. The Board, at its meeting held on January 12, 2023, approved the proposal for the Buy-Back at ₹28.00 (Rupees Twenty-Eight only) per Equity Share and the intimation was sent to BSE on the same day. The closing market price of the Equity Shares on BSE during this period, are summarized below:

Event	Date	BSE (INR)
Date of prior intimation regarding convening of Board Meeting to consider the proposal of the Buy-Back	January 04, 2023	17.02
1 (one) trading day prior to the prior intimation of convening the Board Meeting	January 03, 2023	16.21
1 (one) trading day prior to the Board Meeting	January 11, 2023	21.70
Date of the Board Meeting	January 12, 2023	22.78
1 (one) trading day post the Board Meeting	January 13, 2023	23.91
Date of publication of Public Announcement	January 16, 2023	25.10

Source: www.bseindia.com

17. DETAILS OF STATUTORY APPROVALS

- 17.1. The Board, at its meeting held on January 12, 2023, approved the proposal for the Buy-Back.
- 17.2. The Buy-Back will be subject to such necessary approvals as may be required under the applicable laws including from SEBI and/ or BSE, and the Buy-Back from Non-Resident Shareholders, erstwhile overseas corporate bodies and other applicable categories will be subject to such approvals of the RBI, if any, under FEMA and/or such other applicable rules and regulations in force for the time being.
- 17.3. The Buy-Back from each Eligible Shareholder is subject to all statutory consents and approvals as may be required by such Eligible Shareholder under applicable laws and regulations. The Eligible Shareholder shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approval from the RBI, if any) as may be required by them in order to offer their Equity Shares to the Company pursuant to the Buy-Back. An Eligible Shareholder would be required to provide copies of all such consents and approvals obtained by them to the Registrar to the Buy-Back. The Buy-Back of Equity Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including RBI under FEMA, as applicable. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the Tender Form, so as to enable them to tender Equity Shares in the Buy-Back and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.

- 17.4. By participating in the Buy-Back, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting(s), if required, including the form FC-TRS, if necessary and such Non-Resident Shareholders undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- 17.5. As of date, there is no other statutory or regulatory approval required to implement the Buy-Back, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buy-Back 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 Buy-Back Offer, if any, shall be intimated to BSE.

18. DETAILS OF THE REGISTRAR TO THE BUY-BACK

- 18.1. Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back can send the Tender Form by registered post/ speed post or hand deliver the same, along with the TRS generated by the exchange bidding system along with all relevant documents by super-scribing the envelope as 'Abirami Financial Buy-Back 2023', to the Registrar to the Buy-Back at its office set out below, so that the same are received on or before the Buy-Back Closing Date *i.e.* Wednesday, March 29, 2023 by 5 pm (IST).

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, 1, Club House Road, Chennai - 600002

Contact Person: Ms. K. Sreepriya

Tel.: 044 - 28460390

Fax: 044-28460129

Email: cameo@cameoindia.com; investor@cameoindia.com

Website: www.cameoindia.com

SEBI Registration Number: INR000003753

Corporate Identification Number: U67120TN1998PLC041613

- 18.2. In case of any query, the Shareholders may contact the Registrar to the Buy-Back, from Monday to Friday between 10:00 am to 5:00 pm on all working days except public holidays at the above-mentioned address.
- 18.3. For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the confirmation of lien marked in demat account of the Eligible Shareholders to the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buy-Back shall be deemed to have been accepted for Eligible Shareholders holding the equity shares in demat form.

ELIGIBLE SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY-BACK.

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

19. PROCESS AND METHODOLOGY FOR THE BUY-BACK

- 19.1. The Company proposes to Buy-Back not exceeding 6,00,000 (Six Lakh) Equity Shares from the Eligible Shareholders, on a proportionate basis, through the Tender Offer route, at a price of ₹28.00/- (Rupees Twenty-Eight only) per Equity Share, payable in cash for an aggregate amount not exceeding Rs.1,68,00,000 (Rupees One Crore Sixty Eight Lakhs only), which represents 7.63% of the aggregate of the total paid-up equity share capital and free reserves of the Company as per the last audited financial statements as at September 30, 2022, (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buy-Back) and is within the statutory limit of 10% of the aggregate of the total paid-up equity share capital and free reserves of the Company, based on the audited financial statements of the Company as of September 30, 2022, under the board approval route as per the provisions of the Companies Act and SEBI Buy-Back Regulations. The Board approved the Buy-Back at its meeting held on January 12, 2023. The Buy-Back is in accordance with Article 40 of the Articles of Association of the Company and Sections 68, 69, 70 and any other applicable provisions, if any, of the Companies Act, and rules framed thereunder, including the Share Capital Rules and the Management Rules, to the extent applicable, SEBI Buy-Back Regulations read with SEBI Circulars and the Listing Regulations, subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary, and subject to any modifications and conditions, if any, as may be prescribed by SEBI, ROC, BSE and/or other authorities while granting such approvals, permissions, consents, sanctions and exemptions, which may be agreed by the Board.

- 19.2. The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buy-Back and, accordingly, Eligible Shareholders may take their own decision after consulting their own advisors, as they may deem fit, regarding their participation in the Buy-Back.
- 19.3. The aggregate shareholding of the members of the Promoter Group as on the date of the Public Announcement and the date of this Letter of Offer is 35,45,000 Equity Shares, which represents 59.08% of the existing equity share capital of the Company. In terms of the SEBI Buy-Back Regulations, under the Tender Offer route, the members of the Promoter Group and persons in control of the Company have the option to participate in the Buy-Back. In this regard, the Promoters of the Company, *vide* letter dated January 11, 2023, has expressed their intention to participate in the Buy-Back of equity shares, up to their maximum entitlement.
- 19.4. The promoters and members of the Promoter Group (who have shown their intent to participate in the Buy-Back) have also undertaken that if, as a result of the Buy-Back, the public shareholding of the Company falls below 25% of the total paid-up Equity Share capital of the Company, the promoter and members of the Promoter Group will reduce their shareholding, such that minimum public shareholding of the Company remains at or above 25%, in the manner prescribed to comply with Regulation 38 of the SEBI Listing Regulations, second proviso to the Regulation 10 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Rule 19A of the Securities Contracts (Regulations) Rules, 1957 and SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018 prescribing the methods to achieve the minimum public shareholding in the Company
- 19.5. Assuming the response to the Buy-Back is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Entitlement including the members of the Promoter Group, the aggregate shareholding and the voting rights of the members of the Promoter Group, will remain unchanged post Buy-Back from the current pre Buy-Back shareholding of 59.08%, and the aggregate shareholding of the public Shareholders in the Company will remain unchanged post Buy-Back from the current pre Buy-Back shareholding of 40.92%.
- 19.6. **Record Date and Ratio of Buy-Back as per the Buy-Back Entitlement of each category:**
- 19.6.1. As required under the SEBI Buy-Back Regulations, the Company has fixed Friday, January 27, 2023 as the Record Date for the purpose of determining the Entitlement and the names of the Eligible Shareholders, who are eligible to participate in the Buy-Back.
- 19.6.2. The Equity Shares proposed to be bought back by the Company shall be divided into two categories:
- Reserved category for Small Shareholders (**‘Reserved Category’**); and
 - General category for other Eligible Shareholders (**‘General Category’**).
- 19.6.3. As defined in Regulation 2(i)(n) of the SEBI Buy-Back Regulations, a ‘small shareholder’ is a shareholder of the Company who holds Equity Shares whose market value, on the basis of the closing price of the Equity Shares on BSE, the only stock exchange on which the Equity Shares of the Company are listed, is not more than INR 2,00,000 (Indian Rupees Two Lakh only). As on the Record Date, the closing price on BSE, the only stock exchange on which the Equity Shares of the Company are listed, was ₹27.45/- (Twenty-Seven Rupees and Forty-Five Paise) per Equity Share. Accordingly, all Eligible Shareholders holding not more than 7,285 (Seven Thousand Two Hundred and Eighty-Five) Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buy-Back.
- 19.6.4. Based on the above definition, there are 1,397 (One Thousand Three Hundred and Ninety Seven) Small Shareholders with aggregate shareholding of 3,28,184 (Three Lakhs Twenty-Eight Thousand One Hundred and Eighty-Four) Equity Shares, as on the Record Date, which constitutes 5.47% of the outstanding number of Equity Shares of the Company and 54.70% of the maximum number of Equity Shares which are proposed to be bought back as part of this Buy-Back. 56,71,816 (Five Lakhs Seventy-One Thousand Eight Hundred and Sixteen) Equity Shares were held by the other Eligible Shareholders in the General Category as on the Record Date.
- 19.6.5. In accordance with Regulation 6 of the SEBI Buy-Back Regulations, the reservation for the Small Shareholders, will be higher of:
- 15% of the number of Equity Shares which the Company proposes to Buy-Back *i.e.*, 15% of 6,00,000 Equity Shares which works out to 90,000 (Ninety Thousand) Equity Shares; or

- b. The number of Equity Shares to which the Small Shareholders are entitled, as per their shareholding as on Record Date i.e., [(17/62) X 328184] which works out to 89,986 Equity Shares after ignoring fraction.

All the outstanding Equity Shares have been used for computing the Entitlement of Small Shareholders since the Promoter also intends to offer Equity Shares held by them in the Buy-Back.

In case the total number of Equity Shares held by the Small Shareholders on the Record Date is less than 90,000 (higher of (i) and (ii) above), the maximum number of Equity Shares reserved for Small Shareholders will be restricted to the total number of Equity Shares held by the Small Shareholders as on Record Date.

- 19.6.6. Based on the above analysis and in accordance with Regulation 6 of the SEBI Buy-Back Regulations, 90,000 Equity Shares have been reserved for the Small Shareholders (**‘Reserved Category’**) and accordingly, the General Category for all other Eligible Shareholders shall consist of 5,10,000 Equity Shares (**‘General Category’**).

19.7. Category wise Entitlement Ratio of Buy-Back

Based on the above, the Entitlement ratio of Buy-Back for both categories is decided as below:

Category	Indicative Entitlement Ratio of Buy-Back*
Reserved Category	17 Equity Shares out of every 62 Equity Shares held on the Record Date
General Category	8 Equity Shares out of every 89 Equity Shares held on the Record Date

**The above Ratio of Buy-Back is approximate and providing indicative Buy-Back Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buy-Back may provide a slightly different number due to rounding-off. The actual Buy-Back Entitlement for Reserved Category for Small Shareholders is 15% and General Category for all other Eligible Shareholders is 85%.*

19.8. Fractional Entitlements

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

19.8.2 On account of ignoring the fractional Entitlement, those Small Shareholders who hold 7,285 (Seven Thousand Two Hundred and Eighty-Five) 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 Buy-Back Offer and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered Additional Equity Shares.

19.9. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category

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

19.9.1. Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Equity Shares tendered by them, whichever is less.

19.9.2. Post the Acceptance as described in paragraph 19.8.1 above, in case, there are any Equity Shares left to be bought back from the Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of fractional Entitlement), and have tendered Additional Equity Shares as part of the Buy-Back, shall be given preference and one Equity Share each from the Additional Equity Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.

19.9.3. Post the Acceptance as described in paragraphs 19.8.1 and 19.8.2 above, in case, there are any validly tendered unaccepted Equity Shares in the Reserved Category (**‘Reserved Category Additional Shares’**) and Equity Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted

in a proportionate manner and the Acceptances shall be made in accordance with the SEBI Buy-Back Regulations, i.e., valid Acceptances per Eligible Shareholder shall be equal to the Reserved Category Additional Shares validly tendered by the Eligible Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been Accepted in accordance with paragraph 19.8.2 above, shall be reduced by one.

19.9.4. Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.8.3 above, will be made as follows:

- 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 (point five zero), 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 (point five zero), then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buy-Back Committee or any person(s) authorized by the Buy-Back Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19 of this Letter of Offer.

19.10. Basis of Acceptance of Equity Shares validly tendered in the General Category

Subject to the provisions contained in this Letter of Offer, the Company will Accept the Equity Shares tendered in the Buy-Back Offer by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

19.10.1. Acceptance of 100% Equity Shares from Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Shares tendered by them, whichever is less.

19.10.2. Post the Acceptance as described in paragraph 19.9.1 above, in case, there are any validly tendered unaccepted Equity Shares in the General Category (**‘General Category Additional Shares’**) and Equity Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the Acceptances shall be made in accordance with the SEBI Buy-Back Regulations, i.e., valid Acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.

19.10.3. Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.9.2 above, will be made as follows:

- a. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50 (point five zero), then the fraction would be rounded off to the next higher integer.
- b. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50 (point five zero), then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buy-Back Committee or any person(s) authorized by the Buy-Back Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19 of this Letter of Offer.

19.11. Basis of Acceptance of Equity Shares between the two categories

19.11.1. After Acceptances of Equity Shares, as mentioned in paragraphs 19.8 and 19.9 above, in case, there are any Equity Shares left to be bought back in one category ('**Partially Filled Category**') and there are additional unaccepted validly tendered Equity Shares ('**Further Additional Shares**') in the second category ('**Over Tendered Category**'), then the Further Additional Shares in the Over Tendered Category shall be Accepted in a proportionate manner i.e., valid Acceptances per Eligible Shareholder shall be equal to Further Additional Shares validly tendered by the Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially Filled Category.

19.11.2. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buy-Back Entitlement and who has tendered Additional Equity Shares shall be eligible for priority Acceptance of one Equity Share before Acceptance in paragraph 19.10.1 out of the Equity Shares left to be bought back in the Partially Filled Category provided no Acceptance could take place from such Shareholder in accordance with paragraph 19.8 of this Letter of Offer.

19.11.3. Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.10.1 and 19.10.2 above:

- i. For any Eligible Shareholder, if the number of Further Additional Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50 (point five zero), then the fraction would be rounded off to the next higher integer.
- ii. For any Eligible Shareholder, if the number of Further Additional Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50 (point five zero), then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buy-Back Committee or any person(s) authorized by the Buy-Back Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19 of this Letter of Offer.

19.12. For avoidance of doubt, it is clarified that, in accordance with the clauses above:

19.12.1. Equity Shares Accepted under the Buy-Back from each Eligible Shareholder, shall be lower of the following:

- i. the number of Equity Shares tendered by the respective Eligible Shareholder; and
- ii. the number of Equity Shares held by the respective Eligible Shareholder, as on the Record Date.

19.12.2. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

19.12.3. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buy-Back Committee or any person(s) authorized by the Board will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19 of this Letter of Offer.

19.13. Clubbing of Entitlement

In accordance with Regulation 9(ix) of the SEBI Buy-Back Regulations, in order to ensure that the same Eligible Shareholders with multiple demat accounts/ folios do not receive a higher Entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder or General) and Entitlement under the Buy-Back. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint Shareholders is identical and where the PANs of all joint Shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint Shareholders is identical. In case of Eligible Shareholders holding Equity Shares in physical form, where the sequence of PANs is identical and where the PANs of all joint Shareholders are not available, the Company will check

the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint Shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buy-Back as per the Shareholder records received from the Depositories. Further, the Equity Shares held under the category of 'clearing members' or 'corporate body margin account' or 'corporate body –broker' as per the beneficial position data as on the Record Date, with common PAN, are not proposed to be clubbed together for determining their Entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

20. PROCEDURE FOR TENDERING SHARES AND SETTLEMENT

- 20.1. The Buy-Back is open to all Eligible Shareholders holding Equity Shares either in physical and/or in dematerialized form as on Record Date.
- 20.2. The Company proposes to effect the Buy-Back through the Tender Offer route through Stock Exchange Mechanism, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy-Back as well as the detailed disclosures as specified in the SEBI Buy-Back Regulations, will be e-mailed/dispatched to Eligible Shareholders.
- 20.3. The Eligible Shareholders who have registered their email IDs with the Depositories/ the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email IDs with the Depositories/ the Company, shall be dispatched the Letter of Offer through physical mode by registered post/ speed post/ courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.27 of this Letter of Offer.
- 20.4. The Company will not accept any Equity Shares tendered for Buy-Back which are under any restraint order of the court/ any other competent authority for transfer/ sale and/ or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise. The Company shall comply with Regulation 24(v) of the SEBI Buy-Back Regulations which states that the Company shall not Buy-Back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till such Equity Shares become transferable. The Company shall also not accept the Equity Shares offered for Buy-Back where the title to such Equity Shares is under dispute or otherwise not clear.
- 20.5. Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buy-Back and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buy-Back. The Board or Buy-Back Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 20.6. The participation of Eligible Shareholders in the Buy-Back is voluntary. Eligible Shareholders holding Equity Shares of the Company may choose to participate, in full or in part, and get cash in lieu of shares to be accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their Entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering Additional Equity Shares (over and above their Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. The Acceptance of any Equity Shares tendered in excess of the Buy-Back Entitlement by the Eligible Shareholder shall be in terms of the procedure outlined herein. In case any Eligible Shareholder or any person claiming to be an Eligible Shareholder cannot participate in the Buy-Back Offer for any reason, the Company, the Manager and Registrar to the Buy-Back and their officers shall not be liable in any manner for such non-participation.
- 20.7. The maximum number of Equity Shares that can be tendered under the Buy-Back by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- 20.8. The Company shall accept all the Equity Shares validly tendered for the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date.

- 20.9. As elaborated under paragraphs 19.5 and 19.6 above, the Equity Shares proposed to be bought as a part of the Buy-Back are divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for all other Eligible Shareholders. The Buy-Back Entitlement of Eligible Shareholders in each category shall be calculated accordingly.
- 20.10. Post Acceptance of the Equity Shares tendered on the basis of Buy-Back Entitlement, Equity Shares left to be bought as a part of the Buy-Back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buy-Back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-Back Entitlement, in other category.
- 20.11. The Buy-Back shall be implemented using the ‘Mechanism for acquisition of shares through Stock Exchange’ as specified by the SEBI Circulars and following the procedure prescribed in the Companies Act, the Share Capital Rules and the SEBI Buy-Back Regulations and as may be determined by the Board (including the Buy-Back Committee authorized to complete the formalities of the Buy-Back) and on such terms and conditions as may be permitted by law from time to time.
- 20.12. For implementation of the Buy-Back, the Company has appointed Nikunj Stock Brokers Limited as the registered broker to the Company (‘**Company’s Broker**’) to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buy-Back and through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company’s Broker are as follows:

Name	Nikunj Stock Brokers Limited
Address	A-92, Ground floor, Left Portion, Kamla Nagar, New Delhi-110007
Contact Number	+91-011-47030017/18
E-mail Address	complianceofficer@nikunjonline.com
Contact Person	Mr. Pramod Kumar Sultania

- 20.13. The Company will request BSE to provide the separate acquisition window (‘**Acquisition Window**’) to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-Back. BSE will be the designated stock exchange for the purpose of this Buy-Back. The details of the Acquisition Window will be specified by BSE from time to time.
- 20.14. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock broker(s) (‘**Seller Member(s)**’) during normal trading hours of the secondary market. The Seller Member can enter orders for Equity Shares held in dematerialized form and physical form. In the tendering process, the Company’s Broker may also process the orders received from the Eligible Shareholders.
- 20.15. In the event the Seller Member(s) of any Eligible Shareholder is not registered with BSE as a trading member/ stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register themselves by using quick unique client code (‘**UCC**’) facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company’s Broker *i.e.*, Nikunj Stock Brokers Limited to place their bids, subject to completion of KYC requirements as required by the Company’s Broker.
- 20.16. Eligible Shareholders approaching a stockbroker registered with the BSE (with whom they do not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker, and may inter alia include:

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 including FATCA, IPV, OSV if applicable; Know Your Client (KYC) form documents required (all documents self-attested): Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (demat master/ latest demat statement)
- If Eligible Seller is not registered with KRA: Forms required:
- CKYC form including FATCA, IPV, OSV if applicable
- KRA form

- KYC form documents required (all documents self-attested):
 - PAN card copy;
 - Address proof
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (demat master/ latest demat statement)

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

In case of Eligible Seller is HUF:

If Eligible Seller is registered with KRA: Forms required:

- CKYC form of Karta including FATCA, IPV, OSV if applicable □ 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 including FATCA, IPV, OSV if applicable
- KRA form
- KYC form documents required (all documents self-attested):
 - PAN card copy;
 - Address proof
 - Bank details (cancelled cheque)

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

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

In case of Eligible Seller other than Individual and HUF:

If Eligible Seller is KRA registered: Form required

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

If Eligible Seller is not KRA registered: Forms required:

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

- 20.17. All Eligible Shareholders, through their respective Seller Member, will be eligible and responsible to place orders in the Acquisition Window.
- 20.18. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Seller Member(s) during normal trading hours of the secondary market. The Seller Member can enter orders for Equity Shares held in dematerialized form and physical form.
- 20.19. The Buy-Back from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt / provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any and that such approvals shall be required to be taken by such non-resident shareholders.
- 20.20. The reporting requirements for non-resident shareholders under RBI, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the Seller Member.
- 20.21. Modification/ cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buy-Back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as 'one bid' for the purposes of acceptance.
- 20.22. The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.23. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard. Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
- 20.24. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
- 20.25. Duly attested death certificate and succession certificate/legal heirship certificate, in case any Eligible Shareholder has expired; and
- 20.26. In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).
- 20.27. Procedure to be followed **by Eligible Shareholders holding Equity Shares in dematerialized form:**
- 20.28. Eligible Shareholders who desire to tender their Equity Shares held by them in dematerialized form under the Buy-Back would have to do so through their respective Seller Member by indicating to the concerned Seller Member, the details of Equity Shares they intend to tender under the Buy-Back.
- 20.29. The Seller Member(s) would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buy-Back using the Acquisition Window of BSE. For further details, Eligible Shareholders may refer to the circulars issued by BSE and Indian Clearing Corporation Limited ('Clearing Corporation').
- 20.30. The details of the settlement number under which the lien will be marked on the Equity Shares tendered for the Buy-Back will be provided in a separate circular to be issued by BSE or the Clearing Corporation.
- 20.31. The lien shall be marked by the Seller Member in the demat account of the Eligible Shareholder for the shares tendered in tender offer. Details of shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the Depositories to Clearing Corporation. In case, the Shareholders demat account is held with one Depository and clearing member pool and Clearing Corporation Account is held with other Depository, shares shall be blocked in the

shareholders demat account at source Depository during the tendering period. Inter Depository tender offer ('IDT') instructions shall be initiated by the shareholders at source Depository to clearing member/ Clearing Corporation account at target Depository. Source Depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target Depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.

- 20.32. 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 the closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification by the concerned Selling Member shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- 20.33. Upon placing the bid, the Seller Member(s) shall provide a Transaction Registration Slip ('TRS') generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of the order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered etc.
- 20.34. It is clarified that in case of dematerialized Equity Shares, submission of the Tender Form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-Back shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.
- 20.35. The Eligible Shareholders will have to ensure that they keep the Depository participant ('DP') account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-Back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buy-Back of shares by the Company.
- 20.36. Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form:**
- 20.36.1. In accordance with SEBI's circular dated July 31, 2020 (circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144), shareholders holding Equity Shares in physical form are allowed to tender such shares in a Buy-Back undertaken through the Tender Offer route. However, such tendering shall be as per the provisions of the SEBI Buy-Back Regulations.
- 20.36.2. Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buy-Back will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (a) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (b) original share certificate(s), (c) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e., by all registered Shareholders in the same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (d) self-attested copy of PAN card(s) of all Eligible Shareholders, (e) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- 20.36.3. Based on documents mentioned in paragraph 20.15 above, the concerned Seller Member shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-Back, using the Acquisition Window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.
- 20.36.4. Any Seller Member/ Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-Back i.e., Cameo Corporate Services Limited (at the address mentioned on cover page) on or before the Buy-Back Closing Date i.e., Wednesday, March 29, 2023 by 5 pm (IST). The envelope should be super scribed as '**Abirami Financial Buy-Back 2023**'.

One copy of the TRS will be retained by Registrar to the Buy-Back and it will provide acknowledgement of the same to the Seller Member.

- 20.36.5. The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buy-Back by the Company shall be subject to verification as per the SEBI Buy-Back Regulations and any further directions issued in this regard. The Registrar to the Buy-Back will verify such bids based on the documents submitted on a daily basis and till such verification, the BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buy-Back confirms the bids, they will be treated as 'confirmed bids' and displayed on the Stock Exchange website.
- 20.36.6. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-Back before the closure of the tendering period of the Buy-Back.
- 20.36.7. An unregistered shareholder holding Equity Shares in physical form may also tender their Equity Shares in the Buy-Back by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in their name, along with the offer form, copy of their PAN card and of the person from whom they have purchased shares and other relevant documents as required for transfer, if any.
- 20.37. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 'Details of Statutory Approvals'):**
- 20.37.1. Eligible Shareholders, 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.
- 20.37.2. Eligible Shareholders who are FIIs/FPIs should also enclose a copy of their SEBI registration certificate.
- 20.37.3. In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholder shall obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by the Non-Resident Shareholder from the appropriate account (e.g., NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buy-Back.
- 20.37.4. If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buy-Back are liable to be rejected.

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

20.38. In case of non-receipt of the Letter of Offer and the Tender Form:

In case the Eligible Shareholders hold Equity Shares in dematerialized form: If any Eligible Shareholder who is holding Equity Shares in dematerialized form and has been sent the Letter of Offer through electronic means wishes to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email ID mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name/ ID, beneficiary account number. Upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buy-Back by downloading the Tender Form from the website of the Company (www.afslindia.com) or the website of the Registrar (www.cameoindia.com) or by providing his/her/its application in writing on a plain paper, signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buy-Back.

In case the Eligible Shareholders hold in physical form: An Eligible Shareholder may participate in the Buy-Back by providing his/her/its application in writing on a plain paper signed by all Eligible Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buy-Back and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. An Eligible Shareholder may participate in the Buy-Back by downloading the Tender Form from the website of the Company (www.afslindia.com) or the website of the Registrar (www.cameoindia.com) and must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buy-Back on or before the Buy-Back Closing Date i.e., Wednesday, March 29, 2023 by 5 pm (IST). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the registrar of the Company or are not in the same order (although attested), such Tender Forms are liable to be rejected under this Buy-Back.

Please note that Eligible Shareholder(s) who intend to participate in the Buy-Back will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures in case of Equity Shares held in physical form) and have to ensure that their bid is entered by their respective Seller Member in the electronic platform to be made available by the Designated Stock Exchange before the Buy-Back Closing Date.

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

The participation of the Eligible Shareholders in the Buy-Back is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buy-Back. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

20.39. Acceptance of Orders

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

20.40. Method of Settlement

Upon finalization of the basis of Acceptance as per SEBI Buy-Back Regulations:

- 20.40.1. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 20.40.2. The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buy-Back to the Clearing Corporation's bank accounts as per the prescribed schedule. For Equity Shares accepted under the Buy-Back, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If the Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/bank, due to any reason, then such funds will be transferred to the concerned Seller Member's settlement bank account for onward transfer to such Eligible Shareholders.
- 20.40.3. For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- 20.40.4. In case of certain client types viz. Non-Resident Shareholders (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by BSE and the Clearing Corporation from time to time.

- 20.40.5. Details in respect of Eligible Shareholder's Entitlement for Tender Offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buy-Back. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked Equity Shares in the demat account of the Eligible Shareholder. On settlement date, all blocked Equity Shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- 20.40.6. In the case of inter Depository, Clearing Corporation will cancel the excess or unaccepted shares in target Depository. Source Depository will not be able to release the lien without a release of IDT message from target Depository. Further, release of IDT message shall be sent by target Depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buy-Back. Post receiving the IDT message from target Depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source Depository shall debit the securities as per the communication/message received from target Depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target Depository on settlement date.
- 20.40.7. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Shareholders directly by Registrar to the Buy-Back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-Back by the Equity Shareholders holding Equity Shares in the physical form.
- 20.40.8. The Equity Shares bought back in dematerialized form would be transferred directly to the demat escrow account of the Company opened for the Buy-Back ('**Company Demat Escrow Account**') provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- 20.40.9. Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Seller Member(s) for details of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the selling shareholders for tendering Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Manager to the Buy-Back and Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- 20.40.10. The Seller Member(s) would issue contract note and pay the consideration for the Equity Shares accepted under the Buy-Back and return the balance unaccepted Equity Shares to their respective clients/ will unblock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-Back.
- 20.40.11. The Equity Shares accepted, bought and lying to the credit of the Company Demat Escrow Account will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-Back Regulations.

20.41. Rejection Criteria

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

20.41.1. For Eligible Shareholders holding Equity Shares in the dematerialized form:

If the Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or

If there is a name mismatch in the dematerialized account of the Shareholder and PAN.

20.41.2. For Eligible Shareholders holding Equity Shares in the physical form:

- If the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the Buy-Back Closing Date i.e., Wednesday, March 29, 2023, by 5 pm (IST);

- If there is any other company's share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical share certificate;
- In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar;
- Where there exists any restraint order of a court/ any other competent authority for transfer/ disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
- If the PAN cards (self-attested) of the Shareholder and all the joint holders, are not submitted with the form.

21. NOTE ON TAXATION

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

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

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

To,

The Board of Directors
Abirami Financial Services (India) Ltd
 Old No. 11, New No. 2,
 Parthasarathypuram, 2nd Street,
 T.Nagar Chennai-600017

Corporate Office: Old No. 11, New No. 2, Parthasarathypuram, 2nd Street, T.Nagar Chennai-600017

Dear Sir/Madam,

Sub: Statutory Auditor's certificate on taxation on Buy-Back of equity shares - Buy-Back of 6,00,000 equity shares of face value of Rs. 10/- each of Abirami Financial Services (India) Limited ('Company') in terms of Securities and Exchange Board of India (Buy Back of Securities) Regulations 2018 ('Buy-Back Regulations'), as amended, through Tender Offer.

General-

The Indian tax year runs from April 1 to March 31 of subsequent year. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act, 1961 ('ITA'). A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. Vide Finance Act, 2020, certain non-resident individuals are deemed to be resident in India upon triggering of certain conditions. Deemed residents would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled in India.

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

Classification of Shareholders-

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

A. Resident Shareholders being:

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

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

C. Non-Resident Shareholders being:

- NRIs
- FIIs/FPIs
- Others:
 - Foreign Company
 - Foreign non-corporate shareholders

Buy-back of Shares-

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

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

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

Thus, the Tax Implications in respect of Buy-Back of shares listed on Recognised Stock Exchange are as under:

- A. As per Section 115QA of ITA, listed companies making public announcements of Buy-Back of shares on or after July 5, 2019 are required to pay an additional Income tax @ 20%, plus Surcharge @ 12%, plus Health & Education Cess @ 4% on the distributed income.

Distributed Income is defined in explanation to Section 115QA(1) to include consideration paid by the company on Buy-Back of shares as reduced by the amount which was received by the company on issue of such shares, determined in the manner specified in Rule 40BB of Income Tax Rules, 1962.

- B. The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit thereof shall be claimed by the company or by any other person in respect of the amount of tax paid.
- C. No deduction under any other provision of this act shall be allowed to the company or a shareholder in respect of the income which has been charged to tax.
- D. Section 10(34A) of the ITA provided for exemption to a shareholder in respect of income arising from Buy-Back of shares w.e.f. April 1, 2014 (i.e., Assessment year 2014-15). The Finance Act (No. 2), 2019 has also made consequential changes to section 10(34A) of the ITA extending the benefit of exemption of income from buy-back to shareholders in respect of shares listed on recognized stock exchange as well.

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

A. Resident Shareholders or Deemed Resident Shareholders

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

B. Non-Resident Shareholders

While the income arising to the shareholder on account of buy back of shares as referred to in Section 115QA of the ITA is exempt from tax under the provisions of the amended Section 10(34A) with effect from July 5, 2019 in the hands of a non-resident as well, the same may be subject to tax in the country of residence of the shareholder as per the provisions of the tax laws of that country. The credit of tax may or may not be allowed to such Non-resident shareholder to be claimed in the country of residence in respect of the buy-back tax paid by the company in view of Section 115QA (4) and (5) of the ITA. Non-resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

Tax Deduction at Source-

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

Securities Transaction Tax on account of Buy-Back of Shares-

Since the Buy-Back of shares shall take place through the settlement mechanism of the Stock Exchange, Securities Transaction Tax at 0.1% of the value of the transaction will be applicable.

Caveat-

The summary of the tax considerations as above is based on the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. In view of the specific nature of tax consequences, shareholders who are not tax residents of India are required to consult their tax advisors for the applicable tax and the appropriate course of action that they should take considering the provisions of the relevant Country or State tax law and provisions of DTAA where applicable.

The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. 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.

Restriction on Use-

1. This report has been provided by us at the request of the company and is solely for the information of the manager to the Buy-Back to assist them in conducting and documenting their investigations of the affairs of the company in connection with Buy-Back and in any other material issued in connection with the Buy-Back. This certificate is not intended for general circulation or publication and is not to be reproduced or used for any other purpose without prior consent. We hereby consent to the extracts of this certificate, in full or part, being used in the public announcement of the company or in any other documents in connection with Buy-Back. We also provide our consent for the reference to this certificate in the due diligence certificate to be filed with SEBI by the manager to the Buy-Back in relation to Buy-Back. We undertake to inform you promptly, in writing of any changes to the above information that are brought to our attention by the management until the completion of the Buy-Back. In the absence of any such communication from us, the above information should be considered as updated information until the completion of the Buy-Back.
2. This certificate can be relied on by the manager to Buy-Back in relation to the Buy-Back of shares.

For TSG & ASSOCIATES
Chartered Accountants
(FRN: 013133S)

T.S.GOBINATHAN
Proprietor
Membership No.: 025094
UDIN: 23025094BGWJAG7667

Place: Chennai
Date: January 12, 2023

22. DECLARATION FROM THE BOARD OF DIRECTORS

Declaration as required by clause (ix) and clause (x) of Schedule I of the SEBI Buy-Back Regulations:

The Board has confirmed in the Board Meeting that they have made a full enquiry into the affairs and prospects of the Company and that they have formed the opinion in terms of Clause (X) of Schedule I of the SEBI Buy-Back Regulations:

- i. that immediately following the date of the Board Meeting (*i.e.*, January 12, 2023) approving the buy-back, there will be no grounds on which the Company can be found unable to pay its debts;
- ii. that as regards the Company's prospects for the year immediately following the date of the Board Meeting held on January 12, 2023, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and the Company will not be rendered insolvent within a period of one year period from the date of the Board Meeting approving the buy-back; and
- iii. in forming their opinion for the above purposes, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, each as amended.

This declaration is made and issued under the authority of the Board of Directors in terms of the resolution passed at the meeting held on January 12, 2023.

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors of Abirami Financial Services (India) Limited		
Sd/- -	Sd/-	Sd/-

Chitra Sivaramakrishnan Wholetime Director DIN: 00292725 Chennai, Tamil Nadu	Muthulakshmi Ganesh Director DIN: 00286658 Chennai, Tamil Nadu	Mr. A. S. Arul Saravanan, Company Secretary and Compliance Officer Chennai, Tamil Nadu
---	---	---

23. STATUTORY AUDITOR'S REPORT

The text of the report dated January 12, 2023, received from TSG & Associates, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below.

Date: 12/01/2023

To,

The Board of Directors

Abirami Financial Services (India) Ltd

Old No. 11, New No. 2,

Parthasarathypuram, 2nd Street,

T.Nagar Chennai-600017

Subject: Buyback of equity shares of Abirami Financial Services (India) Ltd

1. This Report is issued in accordance with the terms of our service scope.
2. In connection with the proposal of Company to buyback its equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (“**Act**”) and **Buyback Regulations** and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on January 12, 2023, (“**Board Meeting**”), we have been engaged by the Company to perform a reasonable or limited assurance as applicable on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

3. The preparation of the statement of determination of the permissible capital payment (including premium) towards buyback of Equity Shares (“**Statement**”), as set out in Annexure A hereto, initialed by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting and the date of the Letter of Offer.

Auditor’s Responsibility

5. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide reasonable assurance on the following (“**Reporting Criteria**”):
 - i. Whether we have inquired into the state of affairs of the Company in relation to the audited financial statements for the half year ended 30th September 2022;
 - ii. if the amount of permissible capital payment (including premium) as stated in Annexure A for the proposed buyback of equity shares, has been properly determined considering the audited standalone financial statements of the Company as at and for the half year ended 30 September 2022 in accordance with Section 68(2) of the Act; and Regulation 5 of the Buyback Regulations; and
 - iii. Whether the Board of Directors in their meeting dated January 12, 2023 has formed the opinion, as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of the Board Meeting.
6. The standalone financial statements referred to in paragraph 5 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unqualified audit report dated January 12, 2023. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act 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.
7. 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”). 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.
8. 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

9. Based on our examination as above and the information and explanations given to us, in our opinion:
- that the proposed amount of capital payment of Rs. 1,68,00,000 (Rupees One Crore Sixty-Eight Lakhs only) for the buyback of 6,00,000 equity shares in question does not exceed the permissible capital payment which is **Rs. 2,20,27,310.30/-** (Rupees Two Crore Twenty Lacs Twenty Seven Thousand Three Hundred Ten and thirty paise Only) as determined in the statement of determination of the permissible capital payment towards buyback of equity shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and
 - that the Board of Directors in their meeting held on January 12, 2023 have formed the opinion, as specified in clause (x) of Schedule I of the Buyback Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board Meeting Resolution dated January 12, 2023.

Restriction on Use

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable them to include it (a) in the Public Announcement to be made to the members of the Company, (b) in the Draft Letter of Offer and (c) Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Buyback Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For TSG & ASSOCIATES

Chartered Accountants
(FRN: 013133S)

T.S.GOBINATHAN
Proprietor
Membership No.: 025094
UDIN: 23025094BGWJAG7667

Place: Chennai
Date: January 12, 2023

Annexure A

Statement of determination of the permissible capital payment (including premium) towards buyback of equity shares ("Statement") in accordance with Section 68(2) of the Companies Act, 2013.

Particulars	Amount (Rs)	Amount (Rs)
Total paid-up share capital as on September 30, 2022 based on the audited standalone financial statements of the Company [A]		6,00,00,000.00
Free reserves, comprising of		
- Securities premium account	-	
- Surplus / (Deficit) in the statement of profit and loss	15,52,27,476.00	
- General Reserves	50.45,627.00	
Total free reserves [B]		16,02,73,103.00
Total paid-up share capital and free reserves (sum of A & B)		22,02,73,103.00
Maximum amount permissible for buyback under Section 68 of the Act, i.e. 10% of the total paid up capital and free reserves		2,20,27,310.30

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at Old No. 11, New No. 2, Parthasarathypuram, 2nd Street, T.Nagar, Chennai- 600017, Tamil Nadu, India from Monday to Friday between 10:00 am to 5:00 pm on all working days except public holidays, during the Offer Period:

- Copy of the certificate of incorporation, memorandum and articles of association of the Company;
- Copy of the financial statements/ annual reports of the Company (as the case may be) for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020;
- Audited financial statements of the Company, both for the period ended September 30, 2022;

- 24.4. Copy of the resolution passed by the Board of Directors at the meeting held on January 12, 2023 approving proposal for Buy-Back;
- 24.5. Copy of the report dated January 12, 2023 by TSG & Associates, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the SEBI Buy-Back Regulations;
- 24.6. Copy of the Public Announcement;
- 24.7. Copy of declaration of solvency and an affidavit in form SH-9 as prescribed under Section 68(6) of the Companies Act;
- 24.8. Copy of Escrow Agreement dated Friday, February 10, 2023 between the Company, the Escrow Agent and the Manager to the Buy-Back;
- 24.9. Certificate dated January 12, 2023 by TSG & Associates, Chartered Accountants, confirming that the Company has adequate and firm financial resources to fulfill the obligations under the Buy-Back;
- 24.10. Opinion on the note on taxation, dated January 12, 2023 by TSG & Associates, Chartered Accountants; and
- 24.11. Observations from SEBI on the Draft Letter of Offer issued by its letter no. SEBI/HO/CFD/DCR2/VT/OW/8358/1 dated Monday, February 27, 2023.

25. DETAILS OF THE COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buy-Back:

Mr. A. S. Arul Saravanan

Company Secretary,

Address: Old No. 11, New No. 2, Parthasarathypuram, 2nd Street, T. Nagar Chennai-600017, Tamil Nadu

Tel.: 044- 4953 0954

Fax: 044-4953 0954

Email: abicompliance@afslindia.in

Website: www.afslindia.in

In case of any clarifications or to address investor grievance, the shareholders may contact the Compliance Officer, from Monday to Friday between 10:00 am to 5:00 pm on all working days except public holidays, at the abovementioned address.

26. DETAILS OF REMEDIES AVAILABLE TO SHAREHOLDERS/ BENEFICIAL OWNERS

- 26.1. In case of any grievances relating to the Buy-Back (including non-receipt of the Buy-Back consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach the Compliance Officer and/or Manager to the Buy-Back and/or Registrar to the Buy-Back for redressal.
- 26.2. If the Company makes any default in complying with the requirements under the Companies Act or any rules made thereunder as may be applicable to the Buy-Back, the Company or any officer of the Company who is in default shall be liable in terms of the Companies Act.
- 26.3. The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Chennai,

Block No.6, B Wing 2nd Floor,

Shastri Bhawan 26, Haddows Road,

Chennai - 600034, Tamil Nādu

27. DETAILS OF THE INVESTOR SERVICE CENTRE

In case of any query, the Eligible Shareholders may also contact the Registrar to the Buy-Back appointed as the Investor Service Centre for the purposes of the Buy-Back, from Monday to Friday between 10:00 am to 5:00 pm on all working days except Saturday, Sunday public holidays, at the address at the following address:

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, 1, Club House Road, Chennai - 600002

Contact Person: Ms. K. Sreepriya**Tel.:** 044 - 28460390**Fax:** 044-28460129**Email:** cameo@cameoindia.com; investor@cameoindia.com**Website:** www.cameoindia.com**SEBI Registration Number:** INR000003753**Corporate Identification Number:** U67120TN1998PLC041613**CIN:** U72400TG2017PLC117649**28. DETAILS OF THE MANAGER TO THE BUY-BACK****BONANZA PORTFOLIO LIMITED**

Bonanza House, Plot No. M-2,

Cama Industrial Estate, Walbhat Road, Behind The Hub,

Goregaon (East), Mumbai - 400 063

Contact Person: Ms. Swati Agrawal**Tel No.:** +91 22 62735500/ 68363700**Email:** swati.agrawal@bonanzaonline.com**SEBI Registration No.:** INM000012306**CIN:** U65991DL1993PLC052280**29. DECLARATION BY THE DIRECTORS**

In terms of Regulation 24(i)(a) of the SEBI Buy-Back Regulations, the Board accepts full and final responsibility for all the information contained in this Letter of Offer and confirms that this Letter of Offer contains and will contain true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on January 12, 2023.

For and on behalf of the Board of Directors of Abirami Financial Services (India) Limited		
Sd/-	Sd/-	Sd/-
Chitra Sivaramakrishnan Wholetime Director DIN: 00292725 Chennai, Tamil Nadu	Muthulakshmi Ganesh Director DIN: 00286658 Chennai, Tamil Nadu	Mr. A. S. Arul Saravanan, Company Secretary and Compliance Officer Chennai, Tamil Nadu

30. ENCLOSURES: OFFER FORM

1. Tender Form – Form of Acceptance-cum-acknowledgement (for Eligible Shareholders holding Equity Shares in dematerialized form)
2. Tender Form – Form of Acceptance-cum-acknowledgement (for Eligible Shareholders holding Equity Shares in physical form) with share transfer form (i.e. Form SH-4)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT (FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALIZED FORM)

Bid Number:

Date:

BUY-BACK OPENS ON:		TUESDAY, MARCH 14, 2023		
BUY-BACK CLOSES ON:		WEDNESDAY, MARCH 29, 2023		
For Registrar use				
Inward No.	Date	Stamp		
Status (please tick appropriate box)				
<input type="checkbox"/>	Individual/HUF	<input type="checkbox"/>	FII/FPI	
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB	
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank/ FI	
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/LLP	
<input type="checkbox"/>		<input type="checkbox"/>	Insurance Co.	
<input type="checkbox"/>		<input type="checkbox"/>	FVCI	
<input type="checkbox"/>		<input type="checkbox"/>	Pension/ PF	
<input type="checkbox"/>		<input type="checkbox"/>	Others (specify)	
India Tax Residency Status: Please tick appropriate box				
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India	
<input type="checkbox"/>		<input type="checkbox"/>	Resident of _____ (Shareholder to fill the country of residence)	
Route of Investment (For NR Shareholders only)				
<input type="checkbox"/>	Portfolio Investment Scheme		<input type="checkbox"/>	Foreign Investment Scheme

To,

The Board of Directors,

Abirami Financial Services (India) Limited

C/o Cameo Corporate Services Limited

Subramanian Building, 1, Club House Road,

Chennai – 600002

Tel.:044 - 28460390

Dear Sir/ Madam,

Sub: Letter of Offer dated Wednesday, March 01, 2023 in relation to Buy-Back of not exceeding 6,00,000 (Six Lakh only) Equity Shares of Abirami Financial Services (India) Limited (the ‘Company’) at a price of ₹ 28.00/- (Rupees Twenty-Eight only) per Equity Share (the ‘Buy-Back Offer Price’) through the tender offer route, pursuant to the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (‘SEBI Buy-Back Regulations’) and the Companies Act, 2013, as amended (‘Buy-Back’) payable in cash

- I / We (having read and understood the Letter of Offer Wednesday, March 01, 2023 issued by the Company) hereby tender / offer my / our Equity Shares in response to the Buy-Back on the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to Buy-Back the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buy-Back to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this Tender Offer offered for Buy-Back by me / us are free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other(s)/ covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-Back and that I / We am / are legally entitled to tender the Equity Shares for Buy-Back.
- I / We agree that the Company will pay the Buy-Back Price only after due verification of the validity of documents and that the consideration will be paid as per the Stock Exchange mechanism.
- The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-Back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buy-Back of shares by the Company.
- I/We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Equity Shareholder as per the provisions of Buy-Back Regulations and circulars issued by SEBI
- I / We agree to receive, at my own risk, the invalid / unaccepted Equity Shares under the Buy-Back in the demat account from where I / we have tendered the Equity Shares in the Buy-Back.
- I / We agree to return to the Company any Buy-Back consideration that may be wrongfully received by me / us.

10. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-Back in accordance with the Companies Act, SEBI Buy-Back Regulations and any other applicable laws.
11. I / We acknowledge that the responsibility to discharge the tax due on any gains arising on Buy-Back is on me/us.
12. I/We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
13. I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me/us on Buy-Back of shares. I/We also undertake to provide the Company, the relevant details in respect of the taxability/non-taxability of the proceeds arising on Buy-Back of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc., whenever called for.
14. Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. 'ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED' and the price at which the Equity Shares are being transferred i.e. 'Price determined in accordance with the SEBI Buy-Back Regulations' duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.
15. Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (January 27, 2023)		
Number of Equity Shares Entitled for Buy-Back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-Back (Including Additional Shares, if any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buy-Back Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buy-Back Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buy-Back Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 20 (Procedure for Tendering Shares and Settlement) of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

16. I / We agree that the Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the Equity Shareholder.

-----Tear along this line-----
ACKNOWLEDGMENT SLIP: ABIRAMI FINANCIAL SERVICES (INDIA) BUY-BACK OFFER 2023
(To be filled by the Equity Shareholder) (Subject to verification)

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

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

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

18. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of the Holder				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				

Telephone No. of Sole/ First Equity Shareholder		Email ID of Sole/ First Equity Shareholder	
---	--	--	--

**Non- Individual Shareholder must affix rubber stamp and sign under valid Authority. The relevant authorization should be enclosed with the application form submitted.*

19. Applicable for all Non-resident shareholders only:

- I / We undertake to pay income taxes in India on any income arising on such Buy-Back accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-Back of shares by me / us.
- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ('RBI') under Foreign Exchange Management Act, 1999, as amended ('FEMA') and the rules and regulations framed there under, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

Instructions:

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

1. This Buy-Back will open on Tuesday, March 14, 2023 and close on Wednesday, March 29, 2023.
2. This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Shareholders who desire to tender their equity shares in the dematerialized form under the Buy-Back would have to do so through their respective Seller Member by indicating the details of equity shares they intend to tender under the Buy-Back.
4. Eligible Shareholders may submit their duly filled Tender Form to the office of Registrar to the Buy-Back Offer (as mentioned in paragraph 20 (Procedure for Tendering shares and Settlement) of the Letter of Offer) only post placing the bid via the Seller Member.
5. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents:
 - i. Approval from the appropriate authority for such merger;
 - ii. The scheme of merger; and
 - iii. The requisite form filed with MCA intimating the merger.
6. **The Buy-Back shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.**
7. The Equity Shares tendered in the Offer shall be liable to be rejected if (i) the Tenderer is not an Eligible Shareholder of the Company as on the Record Date; or (ii) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in demat form; or (iii) if there is a name mismatch in the demat account of the Eligible Shareholder and PAN; The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-Back as may be decided by the Company / Registrar to the Buy-Back, in accordance with the SEBI Buy-Back Regulations.
8. The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-Back as may be decided by the Company / Registrar to the Buy-Back, in accordance with the Buy-Back Regulations.
9. Eligible Shareholders to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
10. For the procedure to be followed by Eligible Shareholders for tendering in the Buy-Back, please refer to paragraph 20 (Procedure for Tendering shares and Settlement) of the Letter of Offer.
11. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
12. By agreeing to participate in the Buy-Back, each Eligible Shareholder (including the Non-Resident Shareholder) undertakes to complete all relevant regulatory / statutory filings and compliances to be made by it under applicable law. Further, by agreeing to participate in the Buy-Back, each Eligible Shareholder hereby (a) authorises the Company to take all necessary action, solely to the extent required, and if necessary, to be undertaken by the Company, for making any regulatory / statutory filings and compliances on behalf of such Shareholder; and (b) undertakes to provide the requisite assistance to the Company for making any such regulatory / statutory filings and compliances

13. Non-Resident Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed there under, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India
14. Eligible Sellers have to fill up the EVENT number issued by Depository in the column for settlement details along with the market type as 'Buy-Back', ISIN, Quantity of shares and CM BP ID of broker and execution date in the Delivery Instruction Slips (DIS) so that Equity Shares can be tendered for Buy-Back Offer.
15. In the event of non-receipt of the Letter of Offer by an Eligible Shareholder, the Eligible Shareholder holding Equity Shares may participate in the Buy-Back by providing their application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buy-Back.
16. **For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager to the Buy-Back or the Registrar to the Buy-Back. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-Back shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in dematerialised form.**

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

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

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

Investor Service Centre: ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED BUY-BACK OFFER 2023
CAMEO CORPORATE SERVICES LIMITED
 Subramanian Building, 1, Club House Road, Chennai - 600002
Tel.:044 – 28460390, Fax:044-28460129
Email: cameo@cameoindia.com; investor@cameoindia.com; Website: www.cameoindia.com
Contact Person: Ms. K. Sreepriya
SEBI Registration Number: INR000003753 Corporate Identification Number: U67120TN1998PLC041613

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT (FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM)

Eligible Shareholders holding Equity Shares in physical form are requested to refer to paragraph 20.25 of the Letter of Offer titled 'Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form', for details regarding permissibility of acceptance of Equity Shares held in physical form and for details regarding the procedure for tendering, before submitting the Tender Form and Securities Transfer Form with respect to Equity Shares held in physical form.

Bid Number:
Date:

BUY-BACK OPENS:		TUESDAY, MARCH 14, 2023	
BUY-BACK CLOSES ON:		WEDNESDAY, MARCH 29, 2023	
For Registrar use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/>	Individual/HUF	<input type="checkbox"/>	FII/FPI
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank/ FI
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/LLP
<input type="checkbox"/>		<input type="checkbox"/>	Insurance Co.
<input type="checkbox"/>		<input type="checkbox"/>	FVCI
<input type="checkbox"/>		<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>		<input type="checkbox"/>	Others (specify)
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India
<input type="checkbox"/>		<input type="checkbox"/>	Resident of _____ (Shareholder to fill the country of residence)
Route of Investment (For NR Shareholders only)			
<input type="checkbox"/>	Portfolio Investment Scheme		<input type="checkbox"/>
<input type="checkbox"/>			Foreign Investment Scheme

To,
Abirami Financial Services (India) Limited
C/o Cameo Corporate Services Limited
Subramanian Building, 1, Club
House Road, Chennai – 600002
Tel.:044 - 28460390
Fax:044-28460129

Dear Sir/ Madam,

Sub: Letter of Offer dated Wednesday, March 01, 2023 in relation to Buy-Back of not exceeding 6,00,000 (Six Lakh only) Equity Shares of Abirami Financial Services (India) Limited (the ‘Company’) at a price of ₹ 28.00/- (Rupees Twenty-Eight only) per Equity Share (the ‘Buy-Back Offer Price’) through the tender offer route, pursuant to the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (‘SEBI Buy-Back Regulations’) and the Companies Act, 2013, as amended (‘Buy-Back’) payable in cash

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

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (January 27, 2023)		
Number of Equity Shared Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buy-Back Entitlement.

Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buy-Back Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buy-Back Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 20 (Procedure for Tendering Shares and Settlement) of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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

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

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

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

**ACKNOWLEDGMENT SLIP: ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED
BUY-BACK OFFER 2023**

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

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

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

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

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

	Power of Attorney		Previous RBI approvals for acquiring the Equity Shares hereby tendered in the Buy-Back
	Death Certificate		Succession Certificate
	Self-attested copy of Permanent Account Number (PAN Card)		Corporate Authorizations
	TRS		Others (please specify)

18. Equity Shareholders Details:

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

** Non-individual Shareholders must affix rubber stamp and sign. The relevant authorisation should be enclosed with the application form submitted.*

19. Applicable for all Non-resident shareholders.

- I / We undertake to pay income taxes in India on any income arising on such Buy-Back accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-Back of shares by me / us.

- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and any other the rules and regulations, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

INSTRUCTIONS

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

1. This Buy-Back will open on Tuesday, March 14, 2023, and close on Wednesday, March 29, 2023.
2. This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Shareholders who wish to tender their Equity Shares in response to this Buy-Back should submit the following documents to their Seller Member who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar; the documents should be sent to the Registrar only after the placement of a valid bid; non-submission of the below mentioned documents by 5:00 p.m. on Monday, March 20, 2023 directly to the Registrar shall result in the rejection of the tendered Equity Shares: (i) the Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) original share certificates; (iii) valid share transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company/Registrar) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company; (iv) self-attested copy of the Shareholder's PAN Card (by all Eligible Shareholders in case shares are in joint names); (v) any other relevant documents such as (but not limited to (a) duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form; (b) notarized copy of death certificate and succession certificate or probated will, as applicable, if the original Shareholder has deceased; and (c) necessary corporate authorisations, such as board resolutions etc., in case of companies; (vi) In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
4. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered Shareholder is still incomplete, then such entity along with the Tender Form file a copy of the following documents: (i) Approval from the appropriate authority for such merger; (ii) the scheme of merger and (iii) the requisite form filed with MCA intimating the merger.
5. Eligible Shareholders whom the Buy-Back Offer is made are free to tender Equity Shares to the extent of their Entitlement in whole or in part or in excess of their Entitlement, but not exceeding the number of Shares held by them as on Record Date.
6. All documents / remittances sent by or to Eligible Shareholders will be at their own risk and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
7. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buy-Back and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buy-Back on or before the Buy-Back Closing Date i.e., Wednesday, March 29, 2023, by 5:00 p.m. (IST)
8. For procedure followed by Eligible Shareholders for tendering shares in the Buy-Back, please refer to Paragraph 20 (Procedure for Tendering Shares and Settlement) of the Letter of Offer.
9. Eligible Shareholders should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar & transfer Agent of the Company, if any person other than the Eligible Seller has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Seller is deceased; and (iii) Necessary corporate authorizations, such as Board Resolutions etc., in case of companies.
10. All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others: (a) If any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company; (b) non-submission of Notarized copy of death certificate and succession certificate / probated/Will, as applicable in case any Eligible Shareholder has deceased; (c) if the Eligible Shareholder(s) tender the Equity Shares but the Registrar does not receive the share certificate; (d) in case the signature on the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar; (e) if necessary corporate authorizations under official stamp are not accompanied with tender form; (f) if the transmission of the Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or (g) the Form SH-4 is not witnessed.
11. The Equity Shares tendered in the Buy-Back shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company on the Record Date; or (ii) if there is a name mismatch in the share certificate of the Shareholder; or (iii) where there exists any restraint order of a Court/ any other competent authority for transfer / disposal/ sale; or (iv) or where the title to the

Equity Shares is under dispute or otherwise not clear or where any other restraint subsists; or (v) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Wednesday, March 29, 2023 by 5:00 pm (IST)

12. All documents sent by the seller member/ custodian will be at their own risk and the seller member/ custodian is advised to adequately safeguard their interests in this regard. For the procedure to be followed by Equity Shareholders for tendering in the Buy-Back Offer, please refer to Paragraph 20 (Procedure for Tendering Shares and Settlement) of the Letter of Offer.
13. By agreeing to participate in the Buy-Back, each eligible shareholder (including each Non-Resident Shareholder) undertakes to complete all relevant regulatory / statutory filings and compliances to be made by it under applicable law, including filing of Form FC-TRS. Further, by agreeing to participate in the Buy-Back, each Eligible Shareholder hereby (a) authorises the Company to take all necessary action, solely to the extent required, and if necessary, to be undertaken by the Company, for making any regulatory / statutory filings and compliances on behalf of such Shareholder; and (b) undertakes to provide the requisite assistance to the Company for making any such regulatory / statutory filings and compliances.
14. Non-Resident Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ('RBI') under Foreign Exchange Management Act, 1999, as amended ('FEMA') and the rules and regulations framed there under, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

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

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

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUY-BACK AT THE FOLLOWING ADDRESS

Investor Service Centre: ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED BUY-BACK OFFER 2023

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, 1, Club House Road, Chennai - 600002

Tel.:044 – 28460390, **Fax:** 044-28460129

Email: cameo@cameoindia.com; investor@cameoindia.com; **Website:** www.cameoindia.com

Contact Person: Ms. K. Sreepriya

SEBI Registration Number: INR000003753 **Corporate Identification Number:** U67120TN1998PLC041613

Form No. SH-4 Securities Transfer Form

[Pursuant to section 56 of the Companies act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of Execution ____/____/____

FOR THE CONSIDERATION

stated below the 'Transferor(s)' named do hereby transfer to the

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

CIN:	L	6	5	9	9	3	T	N	1	9	9	3	P	L	C	0	2	4	8	6	1
------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Name of the company (in full)	:	Abirami Financial Services (India) Limited
Name of the Stock Exchange where the company is listed, if any:	:	BSE Limited

DESCRIPTION OF SECURITIES:

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

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

--	--	--	--

Distinctive Number	From	
	To	
Corresponding Certificate Nos:		

TRANSFEROR' S PARTICULARS

Registered Folio Number		
Name(s) in full and PAN No. (attach copy of pan card)	Seller's Signature (s)	
1.		
2.		
3.		

I hereby confirm that the transferor has signed before me.

Signature of the Witness	:	
Name of the Witness	:	
Address of the Witness	:	
Pin code	:	

TRANSFEEE' S PARTICULARS

Name in full (1)	Father's/ Mother's / Spouse Name (2)	Address & E-mail id (3)
Abirami Financial Services (India) Limited	Not Applicable	Registered Office: Old No. 11, New No. 2, Parthasarathypuram, 2nd Street, T.Nagar Chennai-600017, Tamil Nadu, India Email: abi@afslindia.in

Occupation (4)	Existing Folio No., if any (5)	Signature (6)
Business		

Folio No. of Transferee:
Value of stamp Affixed:
₹

Specimen Signature of Transferee
1.
2.
3.

Enclosures:

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

For Office Use Only	
Checked by	
Signature Talled by	
Entered in the Register of Transfer on	

STAMPS

Vide Transfer No.	
Approval Date	
Power of attorney / Probate / Death Certificate / Letter of Administration	
Registered on	

--

ON THE REVERSE PAGE OF THE CERTIFICATE

Name of the Transferor	Name of the Transferee	No. of shares	Date of Transfer
Signature of the Authorised Signatory			