

April 24, 2024

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

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai- 400 051

Dear Sir/Madam,

**Sub: Proposed offer of Tips Industries Limited ited (“Company”) to Buyback 5,95,000 (Five Lakhs Ninety-Five Thousand) fully paid up Equity Shares of the Company of face value of ₹1/- (Rupees One only) each at a price of ₹625/- (Rupees Six Hundered and Twenty-Five Only) per Equity Share on a proportionate basis through Tender Offer (“Buyback”).**

This has reference to the captioned Buyback and further to our letter dated April 10, 2024 for submission of Public Announcement.

Please find enclosed the following:

- Soft copy of the Letter of Offer dated April 24, 2024 (“LOF”) in a pdf format

Kindly receive the same in order, take on record and disseminate the same.

Thanking you,

Yours faithfully,

For Inga Ventures Private Limited



Name: Kavita Shah  
Designation: Partner  
Email: kavita@ingaventures.com



## LETTER OF OFFER

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

This Letter of Offer is being sent to you as a registered Equity Shareholder / beneficial owners of equity shares of Tips Industries Limited (“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 (“Buyback Regulations”).

If you require any clarification about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buyback i.e. Inga Ventures Private Ltd or the Registrar to the Buyback i.e. Link Intime India Private Limited. Please refer to the section on “Definitions of Key Terms” for the definition of the capitalized terms used herein.

	<b>TIPS INDUSTRIES LIMITED</b> <b>Registered Office:</b> 601, Durga Chambers, 6th Floor, Linking Road, Khar - West, Mumbai, Maharashtra, 400052; <b>Corporate Identity Number (CIN):</b> L92120MH1996PLC099359; <b>Tel. No.:</b> 022-66431188; <b>Email:</b> info@tips.in; <b>Website:</b> www.tips.in; <b>Contact Person:</b> Bijal R. Patel, Company Secretary & Compliance Officer
<b>OFFER TO BUYBACK UP TO 5,95,000 (FIVE LAKHS NINETY-FIVE THOUSAND) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹1/- (RUPEE ONE ONLY) EACH (“EQUITY SHARES”), REPRESENTING UP TO 0.46% OF THE TOTAL NUMBER OF ISSUED AND PAID UP EQUITY SHARES OF THE COMPANY, FROM ALL THE EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF THE COMPANY WHO HOLDS EQUITY SHARES AS ON THE RECORD DATE i.e.. MONDAY, APRIL 22, 2024 (“RECORD DATE”), ON A PROPORTIONATE BASIS, THROUGH THE TENDER OFFER ROUTE USING STOCK EXCHANGE MECHANISM (“TENDER OFFER”), AT A PRICE OF ₹625/- (RUPEES SIX HUNDRED AND TWENTY-FIVE ONLY) PER EQUITY SHARE (“BUYBACK PRICE”) FOR AN AGGREGATE AMOUNT OF UP TO ₹37,18,75,000/- (RUPEES THIRTY SEVEN CRORES EIGHTEEN LAKHS SEVENTY FIVE THOUSAND ONLY) EXCLUDING THE TRANSACTION COST (AS DEFINED BELOW) (“BUYBACK SIZE”) (“BUYBACK”).</b>	
<ol style="list-style-type: none"> <li>The Buyback is in accordance with Sections 68, 69, 70 and all other applicable provisions, if any of the Companies Act, 2013, as amended (the “Companies Act”), the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”), the Companies (Management and Administration) Rules, 2014 (the “Management Rules”) to the extent applicable, and in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), the Buyback Regulations and 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 statutory, regulatory or governmental authorities as may be required under applicable laws which may be agreed to by the Board of Directors or any person authorised by the Board of Directors at their meeting held on February 28, 2024 (the “Board Meeting”), pursuant to the provisions of Article 6 of the Articles of Association of the Company. The shareholders approved the Buyback by way of special resolution by postal ballot through electronic voting on April 4, 2024.</li> <li>The Buyback Size of up to ₹37,18,75,000 (Rupees Thirty Seven Crores Eighteen Lakhs Seventy Five Thousand Only), which represents up to 24.89% of the aggregate of fully paid-up Equity Share capital and free reserves as per the audited interim condensed financial statements of the Company for the nine months period ended December 31, 2023, being the latest audited financial statements available (the “Audited Financial Statements”) which is within the statutory limits of 25% of the total paid-up equity share capital and free reserves under the shareholders’ approval route as per the provisions of the Companies Act, 2013 and Buyback Regulations</li> <li>The Letter of Offer is being sent through electronic means to all the eligible Equity Shareholders/beneficial owners of the Company who holds Equity Shares as on the record date i.e. April 22, 2024, (“Eligible Shareholders”) and that if any shareholder requires a physical copy of the Letter of Offer, a request has to be sent to the Company or Registrar to the Buyback and the same shall be sent to such shareholder’s registered postal address..</li> <li>The procedure for tendering Equity Shares and settlement is set out in paragraph 20 of this Letter of Offer. The form of acceptance-cum-acknowledgement (“Tender Form”) along with the share transfer form (“Form SH-4”) is enclosed together with this Letter of Offer.</li> <li>For details of the procedure for Acceptance, please refer to the “Process and Methodology for the Buyback” as set out in Paragraph 20 of this Letter of Offer.</li> <li>For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20 of this Letter of Offer.</li> <li>A copy of the Public Announcement and the Letter of Offer (including the Tender Form) shall also be available on the website of the Company at www.tips.in and is expected to be available on the websites of Securities and Exchange Board of India at www.sebi.gov.in along, NSE at www.nseindia.com, BSE at www.bseindia.com, Manager to the Buyback at www.ingaventures.com and the Registrar to the Buyback at www.linkintime.co.in</li> <li>Eligible Shareholders are advised to refer to ‘Details of the Statutory Approvals’ and ‘Note on Taxation’ in paragraph 17 and paragraph 21 respectively, of this Letter of Offer, before tendering their Equity Shares in the Buyback.</li> </ol>	
<b>MANAGER TO THE BUYBACK</b>	<b>REGISTRAR TO THE BUYBACK</b>
 <b>Inga Ventures Private Limited</b> 1229, Hubtown Solaris, N.S. Phadke Marg, Opp. Telli Galli, Andheri (East), Mumbai 400069 <b>Tel. No.:</b> +91 022 6854 0808, <b>Contact Person:</b> Kavita Shah; <b>Email:</b> kavita@ingaventures.com; <b>Website:</b> www.ingaventures.com; <b>SEBI Registration No:</b> INM000012698; <b>Validity Period:</b> Permanent <b>CIN:</b> U67100MH2018PTC318359	 <b>Link Intime India Private Limited</b> C-101, 247 Park L.B.S. Marg, Vikhroli (W), Mumbai - 400 083 <b>Tel. No.:</b> +91 810 811 4949; <b>Contact person:</b> Ms. Shanti Gopalakrishnan; <b>Email:</b> tips.buyback2024@linkintime.co.in; <b>Website:</b> www.linkintime.co.in; <b>SEBI Registration No:</b> INR000004058; <b>Validity Period:</b> Permanent <b>CIN:</b> U67190MH1999PTC118368
<b>BUYBACK PROGRAMME</b> <b>BUYBACK OPENS ON FRIDAY, APRIL 26, 2024</b> <b>BUYBACK CLOSES ON FRIDAY, MAY 03, 2024</b> <b>LAST DATE OF RECEIPT OF COMPLETED TENDER OFFER FORMS AND OTHER SPECIFIC DOCUMENTS BY THE REGISTRAR TO THE BUYBACK : FRIDAY, MAY 03, 2024, 5:00 P.M. (IST)</b>	
<b>BUYBACK ENTITLEMENT</b>	
Category of Eligible Shareholders	Ratio of Buyback (i.e., Buyback Entitlement)*
Reserved Category for Small Shareholders	<b>11 Equity Shares for every 444 Equity Shares held on the Record Date</b>
General Category for all other Eligible Shareholders	<b>11 Equity Share for every 931 Equity Shares held on the Record Date</b>
*For further information on Ratio of Buyback as per the Buyback Entitlement in each Category, please refer Paragraph 19.5 of this Letter of Offer. <b>ELIGIBLE SHAREHOLDERS CAN ALSO CHECK THEIR ENTITLEMENT ON THE WEBSITE OF THE REGISTRAR TO THE BUYBACK BY FOLLOWING THE STEPS GIVEN BELOW:</b>	
<ol style="list-style-type: none"> <li>Click on <a href="https://web.linkintime.co.in/Offer/Default.aspx">https://web.linkintime.co.in/Offer/Default.aspx</a></li> <li>Select the name of the Company – ‘Tips Industries Limited – Buyback Offer’</li> <li>Select holding type – ‘Physical’ or ‘Demat’ or ‘PAN’</li> <li>Based on the option selected above, enter your PAN or ‘NSDL DPID/Client ID’ or ‘CDSL DPID/Client ID’ or ‘Folio Number’</li> <li>Click on Submit and then click on View</li> <li>The entitlement will be provided in the pre-filled ‘FORM OF ACCEPTANCE-CUM ACKNOWLEDGEMENT’</li> </ol>	
# In addition to the Company’s contact details provided above, the investors may reach out to the Investor Service Centre of Link Intime India Private Limited for any queries at +91 810 811 4949 and tips.buyback2024@linkintime.co.in, details of which are also included at Paragraph 27 of the Letter of Offer.	

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## 1. SCHEDULE OF ACTIVITIES

Activity	Day and Date
Date of the Board Meeting approving the proposal for Buyback of Equity Shares	Wednesday, February 28, 2024
Date of declaration of the results of the postal ballot for passing special resolution by the Equity Shareholders, approving the Buyback	Friday, April 5, 2024
Date of Public Announcement	Monday, April 8, 2024
Date of publication of Public Announcement for the Buyback	Wednesday, April 10, 2024
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Monday, April 22, 2024
Last date for dispatch of Letter of Offer	Wednesday, April 24, 2024
<b>Buyback opens on / Buyback Opening Date</b>	Friday, April 26, 2024
<b>Buyback closes on / Buyback Closing Date</b>	Friday, May 03, 2024
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates (if and as applicable) by the Registrar to Buyback	Friday, May 03, 2024
Last date of verification of Tender Forms by Registrar to Buyback	Monday, May 6, 2024
Last date of intimation to the Stock Exchanges regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar to the Buyback	Tuesday, May 7, 2024
Last date of settlement of bids by the clearing corporation or stock exchanges	Friday, May 10, 2024
Last date of dispatch of share certificate(s) by Registrar to Buyback/ unblocking/ return of unaccepted Demat shares by Stock Exchange to Eligible Shareholders/ Shareholder broker	Friday, May 10, 2024
Last date of extinguishment of Equity Shares bought back	Thursday, May 23, 2024

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

## 2. DEFINITION OF KEY TERMS

*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.*

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

<b>Term</b>	<b>Description</b>
<b>Acceptance /Accept/ Accepted</b>	Acceptance of Equity Shares tendered by Eligible Shareholders in the Buyback
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through mechanism provided by the Stock Exchanges in the form of a separate window in accordance with the SEBI Circulars
<b>Additional Equity Shares</b>	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder such that total number of Equity Shares tendered do not exceed the Equity Shares held on the Record Date by such Eligible Shareholder
<b>AGM</b>	Annual General Meeting
<b>Articles/ Articles of Association</b>	Articles of Association of the Company, as amended from time to time
<b>Audited Financial Statements</b>	Latest audited interim condensed financial statements of the Company for the nine months period ended December 31, 2023
<b>Board / Board of Directors/ Directors</b>	Board of Directors of the Company, which expression shall include any committee constituted by the Board to exercise its powers, including the power conferred by the resolution passed by the Board at its meeting held on February 28, 2024.
<b>Board Meeting</b>	Meeting of the Board of Directors of the Company held on February 28, 2024 approving the proposal for the Buyback
<b>BSE</b>	BSE Limited
<b>Buyback /Offer</b>	Offer to Buyback up to 5,95,000 (Five Lakhs Ninety-Five Thousand) fully paid-up Equity Shares of face value of ₹1/- (Rupee One only) each at a price of ₹625/- (Rupees Six Hundred Twenty-five Only) per Equity Share payable in cash from Eligible Shareholders as on the record date, through the Tender Offer route on a proportionate basis using stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars
<b>Buyback closes on / Buyback Closing Date</b>	Friday, May 3, 2024
<b>Buyback Committee</b>	The Buyback Committee comprising Mr. Kumar S. Taurani – Chairman & Managing Director, Mr. Sunil Chellani – Sr. Vice President, Accounts & Finance and Ms. Bijal R. Patel- Company Secretary constituted and authorized for the purposes of the Buyback.
<b>Buyback Entitlement</b>	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, based on the number of Equity Shares held by that Eligible Shareholder on the Record Date in the ratio/percentage of Buyback as applicable in the respective category, to which such Eligible Shareholder belongs
<b>Buyback opens on / Buyback Opening Date</b>	Friday, April 26, 2024

<b>Term</b>	<b>Description</b>
<b>Buyback period</b>	The period between the date of the declaration of results of the postal ballot i.e. April 5, 2024 and the date on which the payment of consideration is made to the Eligible Shareholders who have accepted the Buyback
<b>Buyback Price</b>	Price at which Equity Shares will be bought back from the Eligible Shareholders ₹625/- (Rupees Six Hundred and Twenty Five only) per Equity Share, (including premium of ₹624/- per Equity Share) payable in cash
<b>Buyback Regulations</b>	The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 as amended from time to time
<b>Buyback Size/ Offer Size</b>	Number of Equity Shares proposed to be bought back i.e. up to 5,95,000 (Five Lakhs Ninety-Five Thousand) Equity Shares multiplied by the Buyback Price i.e. ₹625/- (Rupees Six Hundred and Twenty- Five Only) per Equity Share aggregating to maximum amount of up to ₹37,18,75,000 (Rupees Thirty-Seven Crores Eighteen Lakhs Seventy-Five Thousand Only). The Buyback Offer Size excludes Transaction Costs
<b>CIN</b>	Corporate Identification Number
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Clearing Corporation</b>	Collectively referred as Indian Clearing Corporation Limited and National Securities Clearing Corporation Limited.
<b>Company/ Our Company/ We/ Us/ Our</b>	Tips Industries Limited
<b>Companies Act</b>	The Companies Act, 2013, as amended and to the extent in force pursuant to the notification of Sections of the Companies Act, 2013, along with the relevant rules made thereunder
<b>Company's Broker</b>	ITI Securities Broking Limited
<b>Company's Demat Account</b>	A demat account of the Company wherein demat shares bought back in the Buyback would be transferred
<b>Compliance Officer</b>	Bijal R Patel (Company Secretary of the company)
<b>Depositories</b>	Collectively, National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”)
<b>Designated Stock Exchange</b>	The designated stock exchange for the Buyback i.e. BSE Limited
<b>DP</b>	Depository Participant
<b>Eligible Shareholders</b>	All Equity Shareholders/beneficial owners of Equity Shares as on the Record Date being, Monday, April 22, 2024 and who are eligible to participate in the Buyback in terms of this LOF and excludes person(s) who are not permitted under the applicable law to tender the Equity Shares in Buyback
<b>Equity Shares</b>	Fully paid-up equity shares of face value of ₹1/- (Rupees One only) each of the Company
<b>Equity Shareholder(s)/ Shareholders/ Members/ Beneficial owner(s)</b>	Holder(s) of the Equity Shares and includes beneficial owner(s) thereof
<b>Escrow Account</b>	The Escrow Account titled “Tips Industries Ltd – Buyback2024 – Escrow Account” opened with Escrow Agent in accordance with the Buyback Regulations
<b>Escrow Bank</b>	IndusInd Bank Limited
<b>Escrow Agreement</b>	The escrow agreement dated April 5, 2024 entered into between the Company, Escrow Agent and Manager to the Buyback

<b>Term</b>	<b>Description</b>
<b>FATCA</b>	Foreign Account Tax Compliance Act
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended from time to time, including the regulations, circulars, directions and notifications issued thereunder
<b>FII(s)</b>	Foreign Institutional Investor(s)
<b>FPI(s)</b>	Foreign Portfolio Investor(s)
<b>General Category</b>	Category of Eligible Shareholder(s) other than the Small Shareholders
<b>IPV</b>	In person verification
<b>GST</b>	Goods and Services Tax
<b>HUF</b>	Hindu Undivided Family
<b>IT Act / Income Tax Act</b>	Income Tax Act, 1961, as amended from time to time
<b>Letter of Offer / LOF</b>	The letter of offer dated April 24, 2024 filed with SEBI containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
<b>LODR Regulations/Listing Regulations</b>	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time
<b>Management Rules</b>	The Companies (Management and Administration) Rules, 2014
<b>Manager to the Buyback / Manager to the Offer</b>	Inga Ventures Private Limited
<b>Memorandum of Association/ MOA</b>	Memorandum of Association of the Company as amended from time to time
<b>Maximum Buyback Size</b>	Maximum number of Equity Shares proposed to be bought back i.e. 5,95,000 (Five Lakhs Ninety-Five Thousand) Equity Shares multiplied by the Buyback Price i.e. ₹625/- (Rupees Six Hundred and Twenty-Five only) aggregating up to ₹37,18,75,000 (Rupees Thirty-Seven Crores Eighteen Lakhs Seventy-Five Thousand Only). The Maximum Buyback Size does not include any Transaction Costs.
<b>Non-Resident Shareholders</b>	Equity Shareholders other than resident Equity Shareholders but including Non-Resident Indians (NRI), Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI), erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals
<b>Non-Resident Indians / NRI</b>	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the meaning as prescribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000 as amended from time to time.
<b>NSDL</b>	National Securities Depository Limited
<b>NSE</b>	National Stock Exchange of India Limited
<b>Offer Period / Tendering Period / Buyback Offer Period</b>	Period of 5 (Five) Working Days from the Buyback Opening Date i.e. Friday, April 26, 2024 till Buyback Closing Date i.e. Friday, May 03, 2024 (both days inclusive)
<b>PAN</b>	Permanent Account Number
<b>Postal Ballot Notice</b>	Notice of Postal Ballot dated February 28, 2024 for seeking the approval for the Buyback from the shareholders of the Company
<b>Promoter and Promoter Group</b>	Collectively, promoters and members of promoter group as defined under (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
<b>Public Announcement / PA</b>	Public Announcement dated Monday, April 08, 2024 in relation to the Buyback made by the Company which was published on Wednesday, April 10, 2024 in Business Standard (English and Hindi -All Editions) and Mumbai Lakshadeep (Regional language daily - Marathi)

<b>Term</b>	<b>Description</b>
<b>Ratio of Buyback</b>	The ratio of the Buyback for the Equity Shares held by Eligible Shareholders as on Record Date: (i) in case of Small Shareholders, 11 Equity Shares for every 444 Equity Shares held; and (ii) in case of Eligible Shareholders other than Small Shareholders, 11 Equity Shares for every 931 Equity Shares held
<b>RBI</b>	Reserve Bank of India
<b>Record Date</b>	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer and Tender Form is being sent and who are eligible to participate in the Buyback in accordance with the Buyback Regulations. The Record Date for the Buyback is Monday, April 22, 2024.
<b>Registrar to the Buyback / Registrar</b>	Link Intime India Private Limited
<b>Reserved Category</b>	Category of the Small Shareholders eligible to tender Equity Shares in the Buyback
<b>ROC</b>	Registrar of Companies, Mumbai
<b>SEBI</b>	The Securities and Exchange Board of India
<b>SEBI Circulars</b>	The SEBI circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015, SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, and SEBI circular no. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and 2021 and circular SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 08, 2023, and such other circulars or notifications, as may be applicable, including any amendments or statutory modifications thereof, for the time being in force
<b>Seller Member (s) or Seller Broker</b>	A stock broker(s) of an Eligible Shareholder(s), through whom the Eligible Shareholder(s) may participate in the Buyback
<b>Shareholders' Resolution/Special Resolution</b>	The date on which the Company's shareholders approved the Buyback i.e., April 04, 2024
<b>Small Shareholder</b>	As defined under section 2(i)(n) of the Buyback Regulations, an Eligible Shareholder who holds Equity Shares of market value not more than ₹2,00,000/- (Rupees Two Lakh only) on the basis of closing price on the recognized stock exchange registering the highest trading volume on the Record Date.
<b>Stock Exchanges</b>	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
<b>Stock Exchange Mechanism</b>	The "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI Circulars
<b>Tender Form</b>	Form of acceptance-cum-acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholders to participate in the Buyback
<b>Tender Offer</b>	Method of Buyback as defined in Regulation 2(i)(q) read with Regulation 9(vii) of the Buyback Regulations using stock exchange mechanism
<b>TRS</b>	Transaction Registration Slip
<b>Transaction Cost</b>	Any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisors' fees, stock exchange fee for usage of their platform for Buyback, transaction costs viz. brokerage, applicable taxes inter alia including Buyback tax, securities transaction tax, GST, stamp duty, expensed incurred or to be incurred for the Buyback like filing fees payable to Securities and Exchange Board of India, advisor/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses
<b>U.S.</b>	United States / United States of America
<b>Working Day(s)</b>	Working day as defined under Regulation 2(s) of the Buyback Regulations



## 2.1. 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.

## 2.2. 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 of this Letter of Offer.

## 2.3. Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Letter of Offer is derived from the Audited Financial Statement for the period ended December 31, 2023.

Our Company’s financial year commences on April 1 of each year and ends on March 31 of the next year (referred to herein as “Financial Year” or “FY”).

In this Letter of Offer, references to “INR”, “Rs.”, “₹” and “Rupees” are to Indian Rupees i.e. the legal currency of India. Further, all data related to financials are given in Rs. lakhs, unless otherwise stated.

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.

## 2.4. Stock Market Data

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

## 3. DISCLAIMER CLAUSE

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

- 3.2. It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, has furnished to SEBI a Due Diligence Certificate dated Wednesday, April 24, 2024 in accordance with Buyback Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buyback as part of the due diligence carried out by us in connection with the finalization of the public announcement dated Monday, April 08, 2024 and published in the newspapers on Wednesday, April 10, 2024 (“**Public Announcement**”) and the Letter of offer dated April 24, 2024 (“**LOF**”). On the basis of such examination and the discussions with the Company, we hereby state that:

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

- 3.3. The filing of 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 Buyback.
- 3.4. Promoters and Promoter Group and/or Directors declare and confirm that no information or 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 or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed, withheld and/or amounts to a mis-statement or misrepresentation, the Promoter and Persons in Control and Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.
- 3.5. The Promoters/Board of Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.
- 3.6. **THIS LETTER OF OFFER DOES NOT IN ANY WAY CONSTITUTE AN OFFER TO SUBSCRIBE/PURCHASE/SELL, OR AN INVITATION TO SUBSCRIBE/ PURCHASE /SELL, ANY SECURITIES OF THE COMPANY OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE/PURCHASE/SELL ANY SECURITIES OF THE COMPANY INCLUDING THE EQUITY SHARES IS MADE IN A JURISDICTION, OTHER THAN INDIA, WHERE IT IS ILLEGAL, OR ANY ACTION OR APPROVAL IS REQUIRED, TO MAKE THIS BUYBACK**

**Important Notice to all Shareholders**

- a) The Public Announcement that was published on Wednesday, April 10, 2024 and this Letter of Offer in connection with this Buyback, has been prepared for the purposes of compliance with applicable Indian laws and regulations. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. 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. Except as otherwise required by applicable laws of India, the Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of the Letter of Offer.

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

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

- 4.1. The Buyback through Tender Offer route using stock exchange mechanism was considered and approved (subject to approval of Shareholders of the Company by way of a special resolution and subject to approval of statutory, regulatory or government authorities as may be required under applicable laws) by the Board of Directors of the Company at their meeting held on Wednesday, February 28, 2024. The text of the resolution passed by the Board is as follows:

##### *Quote*

##### **Approval for Buyback of Equity Shares**

**“RESOLVED THAT** pursuant to the provisions of Sections 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (**the “Companies Act”**) read with rules framed under the Companies Act, including the Companies (Share Capital and Debentures) Rules, 2014 as amended (**“Share Capital Rules”**), the Companies (Management and Administration) Rules, 2014, as amended (**“Management Rules”**) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“LODR Regulations”**), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in accordance with Article 6 of the articles of association of the Company and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (**the “Buyback Regulations”**) and any statutory modification(s) or re-enactment thereof, for the time being in force and subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, Mumbai (**the “ROC”**), BSE Limited (**“BSE”**), National Stock Exchange of India Limited (**“NSE”**) and/ or other authorities, institutions or bodies (together with **SEBI, ROC, BSE, NSE the “Appropriate Authorities”**), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions and exemptions which may be agreed and subject to the approval by the shareholders by way of special resolution by postal ballot through electronic voting, the Board of Directors of the Company (the **"Board"** which expression shall include any committee of the Board and/or any persons authorized by the Board to exercise its

powers, including the powers conferred by this resolution), hereby approves the Buyback by the Company of its fully paid-up equity shares of ₹ 1/- each ("Equity Shares") up to 5,95,000 (Five Lakhs Ninety Five Thousand) equity shares (representing 0.46% of the total number of Equity Shares in the paid-up Equity Share capital of the Company) at a price of ₹ 625/- (Rupees Six Hundred and Twenty Five only) per Equity Share (the "**Buyback Offer Price**") payable in cash for an aggregate consideration not exceeding ₹ 37,18,75,000/- (Rupees Thirty Seven Crores Eighteen Lakhs Seventy Five Thousand Only) (the "**Buyback Offer Size**") being 24.89% of the fully paid-up equity share capital and free reserves as per the audited interim condensed financial statement of the Company for the nine months period ended December 31, 2023 on standalone basis, being the latest audited financial statement available (the Audited Financial Statement) which is within the statutory limits of 25% (Twenty Five percent) of the aggregate of the fully paid-up Equity Share capital and free reserves as per the provisions of the Companies Act and the Buyback Regulations, from the equity shareholders of the Company, as on the record date ("**Eligible Shareholders**") to be subsequently decided by the Board ("**Record Date**"), on a proportionate basis, through the "**Tender Offer**" route as prescribed under the Buyback Regulations (hereinafter referred to as the "**Buyback**"). The Buyback period shall commence from the date of declaration of results of the postal ballot for Special Resolution until the last date on which the payment of consideration for the Equity Shares bought back by the Company is made ("**Buyback Period**"), in accordance with, and consonance, with the provisions contained in the Buyback Regulations, the Act, Share Capital Rules, the Management Rules and the LODR Regulations.

**RESOLVED FURTHER THAT** the Buyback Offer Size shall not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisors' fees, stock exchange fee for usage of their platform for Buyback, transaction costs viz. brokerage, applicable taxes inter- alia including Buyback taxes, securities transaction tax, Goods and Services Tax, stamp duty, etc., public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

**RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the 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 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 8, 2023, including any amendments or statutory modifications for the time being in force or such other mechanism as may be applicable.

**RESOLVED FURTHER THAT** such Buyback may be made out of the Company's free reserves and/or such other sources as may be permitted by law through Tender Offer route and as required by the Buyback Regulations and the Companies Act.

**RESOLVED FURTHER THAT** the Company shall earmark adequate sources of funds for the purpose of the Buyback.

**RESOLVED FURTHER THAT** the Company may buyback Equity Shares from all the existing shareholders holding Equity Shares of the Company on a proportionate basis, provided 15% (Fifteen percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of 'small shareholders' (as defined under the Buyback Regulations) as on the Record Date, whichever is higher, shall be reserved for the 'small shareholders', as prescribed under proviso to Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Buyback would be subject to the requirement of maintaining the minimum public shareholding, as specified in Regulation 38 of the LODR Regulations.

**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** the Board hereby confirms that:

- a) All Equity Shares of the Company are fully paid up;
- b) The Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) The Company shall not issue and allot any shares or other specified securities including by way of bonus or conversion of employee stock options /outstanding instruments into Equity Shares, from the date of the board resolution for the Buyback till the expiry of the Buyback Period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- d) The Company shall not raise further capital for such period of time, as prescribed under the provisions of Regulation 24(f) of the Buyback Regulations from the expiry of the Buyback Period, except in discharge of its subsisting obligations and in compliance with the Buyback Regulations;
- e) The Company, as per the provisions of Section 68(8) of the Act, will not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- f) The Company will not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- g) The Company shall not buy back its shares or other specified securities from any person through negotiated deal whether on or off the stock exchange or through spot transactions or through private arrangement;
- h) The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- i) There are no defaults subsisting in the repayment of deposits accepted either before or after the Companies Act, 2013, interest payment thereon, redemption of debentures or interest payment thereon or redemption of debentures or preference shares or payment of dividend due to any shareholder, or repayment of any term; loans or interest payable thereon to any financial institution or banking companies, as the case may be;
- j) That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Act;
- k) Borrowed funds from banks and financial institutions, if any, will not be used for the Buyback;
- l) The Buyback Offer Size does not exceed 25% of the aggregate of the fully paid-up Equity Share capital and free reserves the audited interim condensed financial statement of the Company for the nine months period ended December 31, 2023 (the last audited financial statements on standalone basis available as on the date of the Board meeting);

- m) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under Buyback Regulations, the Companies Act, the rules made thereunder and other applicable laws;
- n) The Company shall not make any offer of Buyback within a period of one year reckoned from the expiry of the Buyback Period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- o) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act as on date;
- p) The Company will not withdraw the Buyback after the public announcement of the Buyback is made;
- q) The Company is not undertaking the Buyback to delist its equity shares other specified securities from the stock exchange;
- r) Consideration of the Equity Shares bought back by the Company will be paid only by way of cash.
- s) The Company does not have outstanding borrowing facilities or debt with any lenders. Therefore, compliance with Regulation 5(i)c read with schedule I clause 12 of the Buyback Regulation is not applicable;
- t) The Buyback shall be completed within 12 months from the date of passing of Special Resolution by the members.

**RESOLVED FURTHER THAT** the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board has formed an opinion that:

- a) Immediately following the date of this Board meeting there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of this Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, as applicable (including prospective and contingent liabilities).

**RESOLVED FURTHER THAT** the proposed Buyback be implemented through Tender Offer route as prescribed under the Buyback Regulations from the equity shareholders of the Company as on the Record Date out of its free reserves and / or such other sources 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** the Board hereby notes the declaration made by the promoters and promoter group of the Company (as disclosed under the shareholding pattern filings made by the Company from time to time under the LODR Regulations, as amended and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011, as amended) confirming their intention to not participate in Buyback.

**RESOLVED FURTHER THAT** the 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.

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

**RESOLVED FURTHER THAT** as required under the provision to Section 68(6) of the Companies Act and Regulation 8(i)(b) of the Buyback Regulations, the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and the Mr. Kumar S. Taurani, Chairman & Managing Director of the Company and Mr. Ramesh S. Taurani, Executive Director of the Company be and are hereby authorized to finalize and sign the same, for and on behalf of the Board, and the Company Secretary be and is hereby authorised to file the same with the ROC and the SEBI.

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

**RESOLVED FURTHER THAT** in compliance with the Buyback Regulations, the approval of the Board be and is hereby accorded for appointment of Inga Ventures Private Limited as the Manager to the Buyback at such fees and other terms and conditions as mutually agreed with them.

**RESOLVED FURTHER THAT** in compliance with the Buyback Regulations, Link Intime India Private Limited be appointed as the Registrar for the Buyback at such remuneration as mutually agreed with them.

**RESOLVED FURTHER THAT** Mr. Kumar S. Taurani, Chairman & Managing Director, Mr. Ramesh S. Taurani, Executive Director, Mr. Sushant Dalmia, Chief Financial Officer and Ms. Bijal Patel, Company Secretary of the Company (**“Authorized Persons”**), are hereby severally authorized to do all such acts, deeds, matters and things in relation to the Buyback as they may deem necessary and/or expedient, including but not limited to the following:

- a) appointment of intermediaries for the Buyback including but not limited to brokers, registrar, advertising agency, legal advisors, escrow bank, compliance officer and other advisors, depository participant, printers, consultants or representatives; if any, and settlement of terms of appointment including the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- b) finalizing the terms of buyback like the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the buyback;
- c) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- d) opening, operation and closure of all necessary accounts, including bank account(s) (including escrow account), depository accounts for the purpose of payment and authorizing persons to operate the said accounts;
- e) preparation, finalizing, signing and filing of public announcement, letter of offer, certificates for declaration of solvency and any other material in relation with the Buyback with the SEBI, ROC, the stock exchange and other appropriate authority;
- f) making all applications to the appropriate authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- g) earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;

- h) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- i) to affix the Common Seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the articles of association of the Company.
- j) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities;
- k) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- l) dealing with stock exchange (including their clearing corporations), where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, and SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 8, 2023 including any further amendments thereof;
- m) 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;
- n) to settle and resolve any queries or difficulties raised by SEBI, stock exchange, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board/ Buyback Committee and the Authorized Persons be and are hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Company will use the platform of BSE Limited (“BSE”) for the purpose of the Buyback.

**RESOLVED FURTHER THAT** the Board/Buyback Committee be and is hereby authorised to, inter alia, increase the Buyback Price and decrease the number of Equity Shares proposed to be bought back, such that there is no change in the Buyback Size till one working day prior to the Buyback record date.

**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 Buyback Committee to buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.



**RESOLVED FURTHER THAT** the Company shall maintain a register of securities bought back where in details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying of Equity Shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register.

**RESOLVED FURTHER THAT** any of the Directors of the Company and / or the Company Secretary for the time being, be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things or incidental for signing and filing of forms, payment of fees, etc. and to do all such other acts, things and deeds, as may be required for the aforesaid purpose or other services as that may be necessary to give effect to the above resolutions.

**RESOLVED FURTHER THAT** any of the Directors of the Company and / or the Company Secretary for the time being, be and are hereby severally authorised to represent the Company before the Ministry of Corporate Affairs (“MCA”), SEBI, the Stock Exchanges on which the Equity Shares of the Company are listed viz., BSE and National Stock Exchange of India Limited or any other agencies connected with the Buyback offer of the Company and to sign and submit all forms, letters, documents or other papers that may be required for the implementation of the Buyback.”

*Unquote*

## 5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buyback Regulations, the Company has made the Public Announcement dated Monday, April 08, 2024 for the Buyback of Equity Shares which was published on Wednesday, April 10, 2024, which is within two Working Days from the date of declaration of the results of such postal ballot for special resolution i.e. Friday, April 05, 2024 in the following newspapers:

Name of the Newspaper	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai Edition

*The Company will publish further notices or corrigendum, if any, in the above mentioned newspapers.*

*A copy of the Public Announcement is available on the websites of the Company at [www.tips.in](http://www.tips.in) and the Manager to the Buyback at [www.ingaventures.com](http://www.ingaventures.com), and is expected to be available on websites of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), BSE at [www.bseindia.com](http://www.bseindia.com) and NSE at [www.nseindia.com](http://www.nseindia.com), on the website of the Registrar to the Buyback at [www.linkintime.com](http://www.linkintime.com).*

After dispatch of the Letter of Offer, the Company will publish an advertisement in all editions of Business Standard, an English daily and all editions of Business Standard, Hindi national daily, and regional edition of Mumbai Lakshadeep, a regional language Marathi daily to inform the Eligible Shareholders about the completion of dispatch of LOF. The dispatch advertisement will also include the link for shareholders to check their entitlement under the Buyback.

## 6. DETAILS OF THE BUYBACK

- 6.1. The Board of Directors of the Company (the “**Board**”, which expression shall include any committee constituted and authorized by the Board to exercise its powers), at their meeting held on February 28, 2024 (the “**Board Meeting**”), pursuant to the provisions of Article 6 of the Articles of Association of the Company and Sections 68, 69, 70 and all other applicable provisions, if any of the Companies Act, 2013, as amended (the “**Companies**”

**Act**”), the Companies (Share Capital and Debentures) Rules, 2014 (the “**Share Capital Rules**”), the Companies (Management and Administration) Rules, 2014 (the “**Management Rules**”) to the extent applicable, and in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR Regulations**”), the Buyback Regulations and 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 statutory, regulatory or governmental authorities as may be required under applicable laws and subject to approval the shareholders by way of special resolution by postal ballot through electronic voting approved the Buyback by the Company of up to 5,95,000 (Five Lakhs Ninety Five Thousand) fully paid up Equity Shares of ₹1/- (Rupee one only) representing up to 0.46% of the total number of issued and paid-up Equity Share Capital of the Company at a price of ₹625 (Rupees Six Hundred Twenty Five only) per Equity Share (the “**Buyback Price**”) payable in cash for an aggregate consideration of up to ₹37,18,75,000 (Rupees Thirty Seven Crores Eighteen Lakhs Seventy Five Thousand Only) excluding Transaction Cost (*defined below*) (“**Buyback Size**”), which is up to 24.89% of the aggregate of the fully paid-up Equity Share capital and free reserves as per the audited interim condensed financial statements of the Company for the nine months period ended December 31, 2023, being the latest audited financial statements available (the “**Audited Financial Statements**”), on a proportionate basis through the “**tender offer**” route as prescribed under the Buyback Regulations, from all the shareholders of the Company who hold Equity Shares as of Monday, April 22, 2024. (“**Record Date**”) (“**Buyback**”)

- 6.2. Since the buyback is more than 10% of the total paid up equity share capital and free reserve of the Company, in terms of section 68(2)(b) of the Companies Act and Regulation 5(1)(b) of Buyback Regulations, the Board has sought the approval from the shareholders of the Company, by way of a special resolution, pursuant to the postal ballot notice dated February 28, 2024 (“**Postal Ballot Notice**”). The shareholders of the Company approved the Buyback on April 4, 2024 (“**Shareholders’ Resolution Date**”) through a special resolution passed by way of Postal Ballot by voting through electronic means, the results of which were announced on April 5, 2024 (“**Shareholders’ Approval**”).
- 6.3. The Buyback Size does not include transaction costs viz. brokerage, applicable taxes inter- alia including Buyback taxes, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (“**SEBI**”), advisors/legal fees, intermediaries’ fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc. (“**Transaction Cost**”).
- 6.4. The Buyback shall be undertaken on a proportionate basis from the equity shareholders of the Company on the Record. The Equity Shares are listed on the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”) (hereinafter together referred to as the “**Stock Exchanges**”).
- 6.5. The Buyback shall be undertaken on a proportionate basis through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in its circular bearing reference number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circular bearing reference number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, SEBI circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and circular SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 08, 2023, including all amendments and statutory modifications for the time being in force (“**SEBI Circulars**”) or such mechanism as may be applicable. In this regard, the Company will request BSE and NSE to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback. For the purposes of this Buyback, the BSE will be the designated stock exchange.
- 6.6. Participation in the Buyback by Eligible Shareholders will trigger tax on distributed income to such Eligible Shareholders (hereinafter referred to as “**Buyback Tax**”) in India and such Buyback Tax is to be discharged by the Company. In case of non-resident shareholders, this may trigger capital gains taxation in the hands of shareholders in their respective jurisdiction. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible

Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

- 6.7. **All the shareholders of the Company will be eligible to participate in the Buyback including Promoters and Promoter Group of the Company (defined below) (including such persons acting in concert) and their associates who hold Equity Shares as of the record date. In this regard, the Promoters and Promoter Group have expressed their intention not to participate in the Buyback and shall not tender any equity shares in the Buyback.**
- 6.8. The Company confirms that after the completion of the Buyback, the non-promoter shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the LODR Regulations. Any change in voting rights of the Promoter, Promoter Group and Person in Control of the Company pursuant to completion of Buyback will not result in any change in control over the Company.
- 6.9. **The Buyback from the Eligible Shareholders who are residents outside India including non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies), foreign institutional investors/ foreign portfolio investors, shall be subject to such approvals, if any and to the extent necessary or 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.**
- 6.10. The Company proposes to Buyback up to 5,95,000 (Five Lakhs Ninety-Five Thousand) fully paid-up Equity Shares of face value of ₹1/- (Rupee One only) each aggregating up to 0.46% of the total issued and paid up Equity Shares of the Company as per the Audited Financial Statements from the Equity Shareholders of the Company as on the Record Date for an amount not exceeding ₹37,18,75,000 (Rupees Thirty-Seven Crores Eighteen Lakhs Seventy-Five Thousand Only).
- 6.11. The aggregate paid-up equity share capital and free reserves as per Audited Financial Statements of the Company as at December 31, 2023 is ₹14,942.19 lakhs. Under the provisions of the Companies Act, the funds deployed for Buyback shall not exceed 25% of the aggregate fully paid-up equity share capital and free reserves of the Company as per the Audited Financial Statements i.e. ₹3,735.55 lakhs, under the shareholder’s approval route, as provided under the proviso to Section 68(2)(b) of the Companies Act. Accordingly, the maximum amount that can be utilised for the Buyback, does not exceed ₹3,718.75 lakhs and is within the limit of 25% of the Company’s fully paid up share capital and free reserve as per the Audited Financial Statement of the Company (the latest audited balance sheet available as on the date of Board Meeting recommending the proposal for the Buyback).
- 6.12. The Aggregate shareholding of the Promoter and Promoter Group of the Company and persons in control as on the Record Date i.e. Monday, April 22, 2024 is given below:

Sr. No.	Name of the Shareholder	Category	No. of Equity Shares held	% of Shareholding
1	Mr. Kumar S. Taurani	Promoter	2,01,99,640	15.73
2	Mr. Ramesh S. Taurani	Promoter	2,01,45,000	15.69
3	Mrs. Renu K. Taurani	Promoter	88,64,380	6.90
4	Mrs. Varsha R. Taurani	Promoter	59,47,310	4.63
5	Mr. Shyam M. Lakhani	Promoter	1,15,000	0.09
6	Mr. Girish K. Taurani	Promoter Group	59,43,340	4.63
7	Mr. Kunal K. Taurani	Promoter Group	59,43,340	4.63
8	Ms. Jaya R. Taurani	Promoter Group	49,52,790	3.86
9	Ms. Sneha R. Taurani	Promoter Group	49,52,790	3.86
10	Ms. Raveena R. Taurani	Promoter Group	49,52,790	3.86
	<b>Total</b>		<b>8,20,16,380</b>	<b>63.86</b>

- 6.13. In terms of the Buyback Regulations, under the tender offer, the Promoters and Promoter group have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group have expressed their intention not to participate in the Buyback and shall not tender any equity shares in the Buyback.
- 6.14. The pre-Buyback shareholding of Promoter and Promoter Group, and persons in control of the Company, as on the date of publication of Public Announcement is 63.86% of the total number of outstanding Equity Shares of the Company. Assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except promoter and promoter group), post-Buyback shareholding of Promoter and Promoter Group and persons in control of the Company will be 64.16% of the total number of outstanding Equity Shares of the Company. For details with respect to aggregate shareholding of Promoter and Promoter Group and persons in control for pre-Buyback and post-Buyback please refer paragraph 13.7 of this LOF.
- 6.15. The Company confirms that after the completion of the Buyback, the non-promoter shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the LODR Regulations.

## **7. AUTHORITY FOR THE BUYBACK**

- 7.1. The Buyback is being undertaken by the Company in accordance with the provisions of Article 6 of Articles of Association of the Company and Sections 68, 69, 70 and all other applicable provisions of the Companies Act and applicable rules made thereunder and in compliance with the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or any person authorised by the Board.
- 7.2. The Buyback has been duly authorized by a resolution passed by the Board of Directors at their meeting held on February 28, 2024. Further, the Buyback has been authorized by the Equity Shareholders by a Special Resolution, through postal ballot only by way of remote e-voting (“e- voting”) the results of which were announced on April 05, 2024 in accordance with the provisions of Section 108 and 110 of the Companies Act read with Rule 22 of the Management Rules along and SEBI Listing Regulations.

## **8. NECESSITY OF THE BUYBACK**

- 8.1. The Buyback is being proposed by the Company to service the equity more efficiently. Additionally, the Company’s management strives to increase equity shareholders value and the Buyback would result in amongst other things:
- 8.2. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares;
- 8.3. The Buyback is generally expected to improve return on equity through distribution of cash and improve earnings per share by reduction in the equity base, thereby leading to long term increase in shareholders’ value;
- 8.4. The Buyback gives an option to the shareholders holding equity shares of the Company, either to sell their equity shares and receive cash or not to sell their equity shares and get a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment; and
- 8.5. The Buyback, which is being implemented through the tender offer as prescribed under the Buyback Regulations, would involve minimum reservation of 15% for Small Shareholders and allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the Small Shareholders. The Company believes that this reservation for Small Shareholders would benefit a large number of public shareholders, who would get classified as Small Shareholder.

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

- 9.1. We believe that the Buyback is not likely to cause any material impact on the profitability/earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming that the response to the Buyback is

100% (full acceptance) from all the Eligible Shareholders (except Promoter and Promoter Group), the funds deployed by the Company towards the Buyback would be ₹37,18,75,000 (Rupees Thirty-Seven Crores Eighteen Lakhs Seventy-Five Thousand Only). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.

- 9.2. The aggregate shareholding of the Promoter and Promoter Group and persons in control as on the date of Record Date i.e. Monday, April 22, 2024 is given below:

Sr. no	Name of the Shareholder	Category	No. of Equity Shares held	% Shareholding
1	Mr. Kumar S. Taurani	Promoter	2,01,99,640	15.73
2	Mr. Ramesh S. Taurani	Promoter	2,01,45,000	15.69
3	Mrs. Renu K. Taurani	Promoter	88,64,380	6.90
4	Mrs. Varsha R. Taurani	Promoter	59,47,310	4.63
5	Mr. Shyam M. Lakhani	Promoter	1,15,000	0.09
6	Mr. Girish K. Taurani	Promoter Group	59,43,340	4.63
7	Mr. Kunal K. Taurani	Promoter Group	59,43,340	4.63
8	Ms. Jaya R. Taurani	Promoter Group	49,52,790	3.86
9	Ms. Sneha R. Taurani	Promoter Group	49,52,790	3.86
10	Ms. Raveena R. Taurani	Promoter Group	49,52,790	3.86
	<b>Total</b>		<b>8,20,16,380</b>	<b>63.86</b>

- 9.3. In terms of the Buyback Regulations, under the tender offer, the Promoters and Promoter group have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group have expressed their intention not to participate in the Buyback and shall not tender any equity shares in the Buyback.
- 9.4. Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a change.
- 9.5. The Buyback will not result in any benefit to the Promoters and Promoter Group of the Company or any Directors except to the extent of the change in their percentage shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the total equity share capital of the Company post Buyback.
- 9.6. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except Promoter and Promoter Group), the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to 64.16% from 63.86% prior to Buyback. Please refer to paragraph 13.7 for further details.
- 9.7. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except Promoter and Promoter Group), the aggregate public shareholding of the Company post the Buyback decrease to 35.84% from 36.14% prior to Buyback. Please refer to paragraph 13.7 for further details.
- 9.8. The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.9. Consequent to the Buyback and depending on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person shall undergo a change. Please refer to paragraph 13.7 for further details.
- 9.10. The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under Buyback Regulations, the Companies Act, the rules made thereunder and other applicable laws. The same has been certified vide a certificate dated February 28, 2024 by the statutory auditor of the Company.
- 9.11. We believe, the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.

- 9.12. The Promoter and Promoter Group, and Persons in Control of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoter and Promoter Group, and Persons in Control during the period from the date of passing the Shareholders' resolution of the Buyback i.e. Thursday, April 04, 2024 until the date of expiry of Buyback period.
- 9.13. The Company does not have outstanding borrowing facilities or debt with any lenders. Therefore, compliance with Regulation 5(i)c read with schedule I clause 12 of the Buyback Regulation is not applicable.
- 9.14. The Company has complied with and are in compliance with Regulation 5(viii) of the Buyback Regulations read with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- 9.15. The Company shall not issue new Equity Shares or other specified securities including by way of a bonus issue till the expiry of the Buyback Period.
- 9.16. 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 Buyback Regulations, from the expiry of the Buyback Period, except in discharge of its subsisting obligations.
- 9.17. The Company, as per the provisions of Section 68(8) of the Companies Act, will not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.18. The Company, in compliance with regulation 4(v) of the Buyback Regulations, is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the stock exchanges
- 9.19. Salient financial parameters consequent to the Buyback based on the Audited Financial Statements as at December 31, 2023 are as under:

Parameters	Based on Standalone Financial Statements as on December 31, 2023		Based on Consolidated Financial Statements as on December 31, 2023	
	Pre Buyback	Post Buyback <sup>#</sup>	Pre Buyback	Post Buyback
Net Worth (₹ in Lakhs) <sup>(1)</sup>	19,241.31	11,669.76	<i>Not Applicable</i>	
Profit/(Loss) for the period (₹ in Lakhs)	10,140.37	10,140.37		
Return on Net Worth % <sup>(2)</sup>	52.70%	86.89%		
Earnings Per Equity Share (EPS) (Basic) (in ₹) <sup>(3)(4)</sup>	7.90	7.93		
Book Value per share (in ₹) <sup>(5)</sup>	14.98	9.13		
Price Earnings (PE) Multiple <sup>(6)</sup>	43.30	43.10		
Debt/ Equity ratio <sup>(7)</sup>	-	-		

(1) Net Worth is equal to Equity Share Capital + Reserves and surplus – OCI

(2) Net Worth Post Buy Back is calculated as above but after giving effect of Amount earmarked for Buyback and without factoring in tax on buy back of shares and any impact in the Shareholder's Equity. Subsequent to December 31, 2023, interim dividend of ₹ 3/-per equity share has declared & paid. The effect of the same has been considered in Net Worth Post Buyback calculation.

(3) Return on Net Worth = Profit / (Loss) for the period / Net worth Return on Net worth for the period ended December 31, 2023 is not annualised

(4) Earnings per Share = Profit / (Loss) for the period Attributable to Equity Shareholders / Weighted number of Equity Shares outstanding

- (5) *EPS post Buyback is computed after reducing upto 5,95,000 Equity Shares to be bought back under the Buyback from weighted average number of Equity Shares outstanding.*
- (6) *Book value per Equity Share = Net worth / Number of Equity Shares*
- (7) *PE Multiple = Market Value per Equity Share as on December 31, 2023, (last trading day for nine months ended December 31, 2023) on NSE / EPS as per latest audited financial statements as on December 31, 2023*
- (8) *Debt-Equity Ratio = Debt / Equity (Equity Share Capital + Reserves and surplus - OCI)*

# The impact of taxes on Buy back and transaction costs related to Buy back is not considered.

## **10. BASIS OF CALCULATING THE BUYBACK PRICE**

10.1. The equity shares of the Company are proposed to be bought back at a price of ₹625/- (Rupees Six Hundred and Twenty-Five only) per Equity Share. The Buyback Price of ₹625/- (Rupees Six Hundred and Twenty-Five only) per Equity Share has been arrived at after considering various factors including, but not limited to, the trends in the volume weighted average market price and closing price of the equity shares on the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

The Buyback price represents:

- i) Premium of 25.49 % and 25.45 % over the closing price of the equity shares on BSE and NSE, respectively, as on February 23, 2024 being the date on which the Company intimated to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.
- ii) Premium of 35.80 % and 36.10 % over the volume weighted average market price of the equity shares on BSE and NSE, respectively, during the two weeks preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.
- iii) Premium of 61.21 % and 48.71 % over the volume weighted average market price of the equity shares on BSE and NSE, respectively, during the 30 trading days preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered. Premium of 71.75 % and 64.18 % over the volume weighted average market price of the equity shares on BSE and NSE, respectively, during the 60 trading days preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.

10.2. The closing market price of the Equity Shares as on the date of the intimation of the Board Meeting i.e. Friday, February 23, 2024 was ₹498.05/- on BSE and ₹498.20/- on NSE.

10.3. The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up share capital and free reserves on the basis of Audited Financial Statements of the Company, after the Buyback.

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

11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be ₹37,18,75,000 (Rupees Thirty-Seven Crores Eighteen Lakhs Seventy-Five Thousand Only), excluding Transaction Costs.

11.2. The Buyback will be sourced out of the free reserves of the Company or such other source as may be permitted by law through “Tender Offer” route and as required by the Buyback Regulations and the Companies Act, and on such terms and conditions as the Board may deem fit. The funds for the Buyback will be sourced from the cash and cash equivalents and/or accumulated internal accruals and no borrowings are made to discharge the Buyback obligations. However, if required, the Company may borrow funds in the ordinary course of its business.

- 11.3. This Buyback is not likely to cause any material impact on the earnings of the Company, except for the cost of financing the Buyback, being a reduction in the treasury income that the Company could have otherwise earned on the funds deployed.
- 11.4. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited Financial Statements.

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

- 12.1. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed IndusInd Bank Limited as the Escrow Bank for the Buyback. The Company, the Manager to the Buyback and the Escrow Bank have entered into an Escrow Agreement dated April 5, 2024, pursuant to which the Escrow Account in the name and style “Tips Industries Ltd – Buyback2024 – Escrow Account” bearing account number 250562116475 and “Tips Industries Ltd – Buyback2024 – Special Escrow Account” bearing account number 250562116476 has been opened with the Escrow Agent at its branch office located IndusInd Bank Limited, Premises No 59 & 61, Sonawala Building 57, Mumbai Samachar Marg, Opp. Bombay Stock Exchange, Fort, Mumbai – 400001 Mumbai. In accordance with Regulation 9(ix) of the Buyback Regulations, the Company has deposited cash amounting to ₹9,29,68,750/- (Rupees Nine Crores Twenty-Nine Lakhs Sixty-Eight Thousand Seven Hundred and Fifty only) i.e. 25% of the Buyback Size, in the Escrow Account. The Manager has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.2. The Company has adequate and firm financial resources as on December 31, 2023 to meet its obligations under the Buyback and the same has been certified vide a certificate dated February 28, 2024 by Parag Ved (Membership No.:102432), Partner of SSPA & Associates, Chartered Accountant (ICAI Firm Registration No.:131069W), UDIN: 24102432BKCIWY4959, having their office at SSPA & Associates, Chartered Accountants, 1st floor, “Arjun”, Plot No. 6 A, V.P. Road, Andheri (w), Mumbai – 400 058, Maharashtra, Telephone No. +91 22 2670 4376/3682 and Fax No. +91 22 2670 3916.
- 12.3. Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that the firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Companies Act and the Buyback Regulations.

## 13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

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

(₹ in Lakhs)			
Sr. No.	Particulars	Pre Buyback	Post Buyback*
1.	<b>Authorized Share Capital:</b>		
	20,00,00,000 Equity Shares of ₹ 1/- each	2000.00	2000.00
2.	<b>Issued, Subscribed and Paid-up Capital:</b>		
	12,84,26,590 * Equity Shares of ₹ 1/- each	1284.27	1278.32

\* Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except Promoter and Promoter Group).

- 13.2. Except as follows, the Company did not implement any Buyback program in the last three years:

Particulars	During financial year 2022-23
Equity Shares Bought Back	1,26,000 Equity Shares
Buy Back Price	The price at which the Equity Shares were bought back was ₹2,600/- per Equity Share.
Buy Back Size	₹32,76,00,000/- (excluding brokerage, transactional charges and taxes), which represents 24.59% of the aggregate fully paid up equity share capital and free reserves as per the audited



	condensed interim standalone financial statements for the six months' period ended September 30, 2022.
Method of Buyback	Through tender offer route
Opening Date	Friday, January 27, 2023
Closing Date	Thursday, February 9, 2023

- 13.3. As on date of this Letter of Offer, there are no partly paid-up Equity Shares outstanding.
- 13.4. As on date of this Letter of Offer, there are no outstanding securities convertible into Equity Shares.
- 13.5. As on date of this Letter of Offer, there is no amount under calls in arrears.
- 13.6. The Company shall not issue, including through a bonus issue, Equity Shares or any other specified securities, until the expiry of Buyback period in accordance with Regulation 24(i)(b) of the SEBI Buyback Regulations.
- 13.7. The shareholding pattern of the Company (a) pre Buyback i.e. as on the Record date i.e. Monday, April 22, 2024; and (b) the post Buyback is as follows:

Category of Shareholder	Pre Buyback		Post Buyback*	
	Number of Shares	% to pre Buyback Equity Share capital	Number of Shares	% to post Buyback Equity Share capital
Promoter and Persons in Control <sup>#</sup>	8,20,16,380	63.86	8,20,16,380	64.16
Foreign Investors (OCBs/FIIs/NRIs/Non-residents/Non-domestic companies)	33,79,220	2.63	4,58,15,210	35.84
Indian Financial Institutions/Banks/Mutual Funds/Govt. Companies	93,03,404	7.24		
Public including other Bodies Corporate	3,37,27,586	26.26		
<b>Total</b>	<b>12,84,26,590</b>	<b>100.00</b>	<b>12,78,31,590</b>	<b>100.00</b>

<sup>#</sup> considering the effect of promoter not intending to participate in Buyback offer.

\*Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except promoter and Promoter Group).

@ Further as disclosed under point 6.8 of LOF, The Company confirms that after the completion of the Buyback, the non-promoter shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the LODR Regulations. All percentages have been rounded off to two decimal points. Thus, the sum of such numbers may not conform exactly to the total figure given.

- 13.8. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act as on the date of this Letter of Offer.
- 13.9. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except Promoter and Promoter Group), the aggregate shareholding of the Promoter and Persons in Control post the Buyback may increase to 64.16% from 63.86% prior to the Buyback.
- 13.10. The shareholding of the Promoter and Promoter Group and persons in control as on the date of Record Date i.e. Monday, April 22, 2024 is given below:

Sr. no	Name of the Shareholder	Category	No. of Equity Shares held	% Shareholding
1	Mr. Kumar S. Taurani	Promoter	2,01,99,640	15.73
2	Mr. Ramesh S. Taurani	Promoter	2,01,45,000	15.69
3	Mrs. Renu K. Taurani	Promoter	88,64,380	6.90
4	Mrs. Varsha R. Taurani	Promoter	59,47,310	4.63

5	Mr. Shyam M. Lakhani	Promoter	1,15,000	0.09
6	Mr. Girish K. Taurani	Promoter Group	59,43,340	4.63
7	Mr. Kunal K. Taurani	Promoter Group	59,43,340	4.63
8	Ms. Jaya R. Taurani	Promoter Group	49,52,790	3.86
9	Ms. Sneha R. Taurani	Promoter Group	49,52,790	3.86
10	Ms. Raveena R. Taurani	Promoter Group	49,52,790	3.86
	<b>Total</b>		<b>8,20,16,380</b>	<b>63.86</b>

13.11 Aggregate shareholding of the Directors of companies/trust which are a part of the Promoter and Promoter Group, as the Record Date, i.e., Monday, April 22, 2024: None

13.12 Aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the Record Date, i.e., Monday, April 22, 2024

Sr. no	Name of Shareholder	Designation	No. of Equity Shares held	% Shareholding
1.	Mr. Kumar S. Taurani	Chairman & Managing Director	2,01,99,640	15.73
2.	Mr. Ramesh S. Taurani	Executive Director	2,01,45,000	15.69
3.	Mr. Girish K. Taurani	Executive Director	59,43,340	4.63
4.	Mr. Amitabh Mundhra	Independent Director	NIL	NA
5.	Mr. Shashikant Vyas	Independent Director	NIL	NA
6.	Ms. Tara Subramaniam	Independent Director	NIL	NA
7.	Mr. Hari Nair	Chief Executive Officer	2,040	0.00
8.	Mr. Sushant Dalmia	Chief Financial Officer	10,840	0.01
9.	Ms. Bijal R. Patel	Company Secretary	NIL	NA
	<b>Total</b>		<b>4,63,00,860</b>	<b>36.05</b>

(i) Aggregate shares purchased or sold by the Promoter and Promoter Group and persons in control, Directors of companies which are a part of the Promoter and Promoter Group and Directors and Key Managerial Personnel of the Company during a period of twelve months preceding the date of Public Announcement, i.e., Monday, April 08, 2024:

a) Aggregate of shares purchased or sold by the Promoter and Promoter Group and persons in control:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
Mr. Kumar S. Taurani	2,60,49,640*	Stock Split	NA	NA	NA	NA
	34,00,000 (Sold)	Block Deal	346.4400	20-12-2023	346.4400	20-12-2023
	24,50,000 (Sold)	Block Deal	380.2568	29-01-2024	380.2568	29-01-2024
Mr. Ramesh S. Taurani	2,59,95,000*	Stock Split	NA	NA	NA	NA
	34,00,000 (Sold)	Block Deal	342.9100	20-12-2023	342.9100	20-12-2023
	24,50,000 (Sold)	Block Deal	380.0000	29-01-2024	380.0000	29-01-2024

Mrs. Renu K. Taurani	1,01,64,380*	Stock Split	NA	NA	NA	NA
	5,00,000 (Sold)	Block Deal	340.0000	20-12-2023	340.0000	20-12-2023
	8,00,000 (Sold)	Block Deal	380.0000	29-01-2024	380.0000	29-01-2024
Mrs. Varsha R. Taurani	72,47,310*	Stock Split	NA	NA	NA	NA
	5,00,000 (Sold)	Block Deal	345.7000	20-12-2023	345.7000	20-12-2023
	8,00,000 (Sold)	Block Deal	380.0000	29-01-2024	380.0000	29-01-2024
Mr. Shyam M. Lakhani	1,15,000*	Stock Split	NA	NA	NA	NA
Mr. Girish K. Taurani	59,43,340*	Stock Split	NA	NA	NA	NA
Mr. Kunal K. Taurani	59,43,340*	Stock Split	NA	NA	NA	NA
Ms. Jaya R. Taurani	49,52,790*	Stock Split	NA	NA	NA	NA
Ms. Sneha R. Taurani	49,52,790*	Stock Split	NA	NA	NA	NA
Ms. Raveena R. Taurani	49,52,790*	Stock Split	NA	NA	NA	NA

*\*Pursuant to the Special Resolution passed by the Members of the Company by way of Postal Ballot through electronic means on March 27, 2023, the Company sub-divided (split) its equity share of the face value of Rs. 10/- each (fully paid-up) into 10 (ten) equity shares of face value of Re. 1/- each (fully paid-up) w.e.f. April 21, 2023 (Record Date).*

- b) Aggregate shares purchased or sold by the Directors of companies which are part of the Promoter and Promoter Group: None
- c) Aggregate shares purchased or sold by the Directors and Key Managerial Personnel of the Company:

Sr. no	Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
1	<b>Mr. Kumar S. Taurani</b> Chairman & Managing Director	2,60,49,640*	Stock Split	NA	NA	NA	NA
		34,00,000 (Sold)	Block Deal	346.4400	20-12-2023	346.4400	20-12-2023
		24,50,000 (Sold)	Block Deal	380.2568	29-01-2024	380.2568	29-01-2024
2	<b>Mr. Ramesh S. Taurani</b> Executive Director	2,59,95,000*	Stock Split	NA	NA	NA	NA
		34,00,000 (Sold)	Block Deal	342.9100	20-12-2023	342.9100	20-12-2023
		24,50,000 (Sold)	Block Deal	380.0000	29-01-2024	380.0000	29-01-2024
3	<b>Mr. Girish K. Taurani</b>	59,43,340*	Stock Split	NA	NA	NA	NA

4	<b>Mr. Amitabh Mundhra</b> Independent Director	NIL	NA	NA	NA	NA	NA
5	<b>Mr. Shashikant Vyas</b> Independent Director	NIL	NA	NA	NA	NA	NA
6	<b>Ms. Tara Subramaniam</b> Independent Director	NIL	NA	NA	NA	NA	NA
7	<b>Mr. Hari Nair</b> Chief Executive Officer	2,040*	NA	NA	NA	NA	NA
8	<b>Mr. Sushant Dalmia</b> Chief Financial Officer	9,940*	Stock Split	NA	NA	NA	NA
		900	Market Purchase	322.35	11-09-2024	321.55	11-09-2024
9	<b>Ms. Bijal R. Patel</b> Company Secretary	NIL	NA	NA	NA	NA	NA

## 14. BRIEF INFORMATION ABOUT THE COMPANY

### 14.1 History of the Company

Tips Industries Limited was initially established as a partnership firm on March 7, 1988 in the name of Tips Cassettes & Record Co. The said partnership firm was converted and incorporated into a joint stock company (as a private limited company) on May 8, 1996 under the provisions of Part IX of the Companies Act, 1956. Subsequently, it became a deemed public limited company with effect from July 1, 1999 pursuant to Section 43A of the Companies Act, 1956. The Equity Shares of the Company has been listed on BSE Limited and the National Stock Exchange of India Limited since 2000.

The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated March 3, 2022 had approved the Scheme of Arrangement and Demerger to demerge the Film Division from Tips Industries Limited and the same has been vested and transferred in Tips Films Limited.

The Company is in the Media & Entertainment Industry. The Company is in the business of exploitation of audio content library digitally in India and overseas on various platforms.

The Registered Office of the Company is situated at 601, Durga Chambers, 6th Floor, Linking Road, Khar - West, Mumbai, Maharashtra, 400052.

### 14.2 Growth of Business

Tips Industries Limited is a leading Indian music label which creates and monetizes music. It has an extensive music catalogue of film, non-film, devotional, pop and remixes in Hindi, Punjabi, Gujarati, Bhojpuri and other languages straddles all genres of popular Indian music. The catalogue is licensed to over the top (OTT) video platforms, social media platforms, content aggregators, television channels, telecom companies, radio stations,

advertisers, event management companies, hotels, restaurants and others. The songs are digitized and available on all the leading online music stores, applications, and web platforms. One of the strongest assets of TIPS is its rich and evergreen music collection. Its large and diversified music library has a collection of over 30,000 songs across all genres and major languages.

#### 14.3 Financial Performance / growth over last 3years

As per the latest Audited Financial Statements as at December 31, 2023 and financial years ended March 31,2023, March 31, 2022 and March 31,2021, the Company recorded total revenue of ₹18.739.03 lakhs, ₹19,213.76 lakhs, ₹13,879.52 lakhs and ₹9,542.22 lakhs respectively and profit after tax of ₹10,140.37 lakhs, ₹7,652.16 lakhs, ₹6,455.56 lakhs and ₹4,346.88 lakhs respectively.

14.4 The current authorised share capital of the Company is ₹20,00,00,000 (Rupees Twenty crore only) consisting of 20,00,00,000 (Twenty crore only) Equity Shares of face value of ₹1 (Rupee one) each. The total paid-up share capital of the Company is ₹12,84,26,590 (Rupees Twelve crore Eighty-four Lakhs Twenty-six Thousand Five hundred and Ninety only) represented by 12,84,26,590 (Rupees Twelve crore Eighty-four Lakhs Twenty-six Thousand Five hundred and Ninety only) Equity Shares of ₹1 (Rupee one) each.

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

Date of Allotment	No. of Equity Shares issued	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Cumulative No. of Equity Shares	Details
08-May-1996	10,00,000 <sup>(1)</sup>	10	10	other than cash	10,00,000	On conversion of the partnership into a joint stock company vide Part IX of the Companies Act, 1956
12-Mar-1997	20,00,000 <sup>(2)</sup>	10	10	other than cash	30,00,000	Bonus issue through capitalization of Free Reserve in the ratio of 2 : 1
04-Nov-1999	45,00,000 <sup>(3)</sup>	10	10	other than cash	75,00,000	Bonus issue through capitalization of General Reserve in the ratio of 3 : 2
10-Feb-2000	15,00,000 <sup>(4)</sup>	10	10	other than cash	90,00,000	Bonus issue through capitalization of General Reserve in the ratio of 1 : 5
12-Oct-2000	30,14,500 <sup>(5)</sup>	10	325	Cash	1,20,14,500	IPO Allotment
11-Jun-2003	6,38,400 <sup>(6)</sup>	10	—	other than cash	1,26,52,900	Preferential Allotment of shares pursuant to Section 81A of the Companies Act, 1956. Allotment to Shareholders of TIPS Films Private Limited (“TFPL”) for

Date of Allotment	No. of Equity Shares issued	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Cumulative No. of Equity Shares	Details
						acquisition of 100% stake *
07-Apr-2006	21,83,000 <sup>(7)</sup>	10	45 (including ₹.35/- Premium)	Cash	1,48,35,900	Preferential Allotment of shares pursuant to Section 81A of the Companies Act, 1956. Allotment to Public and Promoters
17-Sep-2007	24,70,000 <sup>(8)</sup>	10	45 (including ₹.35/- Premium)	Cash	1,73,05,900	Allotment to Promoters and Public pursuant to conversion of warrants
From 11-Jun-2010 To 23-Aug-2010	(13,47,200)	10	(Buyback 2010-11)	Cash	1,59,58,700	Buyback of shares through open market
From 23-Aug-2012 To 08-Mar-2013	(6,00,060)	10	(Buyback 2012-13)	Cash	1,53,58,640	Buyback of shares through open market
From 26-Nov-2015 To 25-May-2016	(10,39,981)	10	(Buyback 2015-16/2016-17)	Cash	1,43,18,659	Buyback of shares through open market
From 02-June-2020 To 15-June-2020	(13,50,000)	10	(Buyback 2019-20/2020-21)	Cash	1,29,68,659	Buyback of shares through tender offer route
From January 27, 2023 To February 9, 2023	(1,26,000)	10	Buyback 2022-23	Cash	1,28,42,659	Buyback of shares through tender offer route
Pursuant to a shareholders' resolution dated March 27, 2023, each equity share of the Company of the face value of ₹10 was split into 10 equity shares of the Company of the face value of ₹1 each, and accordingly, 1,28,42,659 equity shares of the Company of the face ₹10/- each were split into 12,84,26,590 Equity Shares.						

\*The Equity Shares of Tips Films Pvt. Ltd. (TFPL) was valued at ₹1,646/- per share as per valuation report dated 27/1/2003 of M/s. Dalal & Shah, Chartered Accountants. The Board approved allotment of 638,400 Equity shares of ₹10/- each to the shareholders of TFPL on a swap basis for acquisitions of their respective shareholding in TFPL in the ratio of 21 Equity share of the Company for every 1 every share held in TFPL.

Notes:

- (1) 2,48,500 Equity Shares were allotted to Mr. Kumar S. Taurani, 2,50,000 Equity Shares were allotted to Mr. Ramesh S. Taurani, 2,50,000 Equity Shares were allotted to Ms. Renu K. Taurani, 2,50,000 Equity Shares were

- allotted to Ms. Varsha R. Taurani, 500 Equity Shares were allotted to Mr. Shyam Lakhani, 500 Equity Shares were allotted to Ms. Kavita Lakhani, 500 Equity Shares were allotted to Mr. Rajeev Sogani
- (2) 4,97,000 Equity Shares were allotted to Mr. Kumar S. Taurani, 5,00,000 Equity Shares were allotted to Mr. Ramesh S. Taurani, 5,00,000 Equity Shares were allotted to Ms. Renu K. Taurani, 5,00,000 Equity Shares were allotted to Ms. Varsha R. Taurani, 1000 Equity Shares were allotted to Mr. Shyam Lakhani, 1000 Equity Shares were allotted to Ms. Kavita Lakhani, 1000 Equity Shares were allotted to Mr. Rajeev Sogani
- (3) 11,18,250 Equity Shares were allotted to Mr. Kumar S. Taurani, 11,25,000 Equity Shares were allotted to Mr. Ramesh S. Taurani, 11,25,000 Equity Shares were allotted to Ms. Renu K. Taurani, 11,25,000 Equity Shares were allotted to Ms. Varsha R. Taurani, 2250 Equity Shares were allotted to Mr. Shyam Lakhani, 2250 Equity Shares were allotted to Ms. Kavita Lakhani, 2250 Equity Shares were allotted to Mr. Rajeev Sogani
- (4) 3,72,750 Equity Shares were allotted to Mr. Kumar S. Taurani, 3,75,000 Equity Shares were allotted to Mr. Ramesh S. Taurani, 3,75,000 Equity Shares were allotted to Ms. Renu K. Taurani, 3,75,000 Equity Shares were allotted to Ms. Varsha R. Taurani, 750 Equity Shares were allotted to Mr. Shyam Lakhani, 750 Equity Shares were allotted to Ms. Kavita Lakhani, 750 Equity Shares were allotted to Mr. Rajeev Sogani
- (5) 3,014,500 Equity shares were allotted to public shareholders
- (6) 3,17,100 Equity shares were allotted to Mr. Kumar S. Taurani, 3,17,100 Equity shares were allotted to Mr. Ramesh S. Taurani, 2,100 Equity shares were allotted to Ms. Renu K. Taurani, 2,100 Equity shares were allotted to Ms. Varsha R. Taurani
- (7) 1,12,500 Equity shares were allotted to Mr. Kumar S. Taurani, 1,12,500 Equity shares were allotted to Ms. Renu K. Taurani, 2,25,000 Equity shares were allotted to Ms. Varsha R. Taurani, 7,33,000 Equity shares were allotted to Seahaven Invsts (Mauritius) Ltd, 10,00,000 Equity shares were allotted to Pasha Finance Pvt. Ltd,
- (8) 3,18,450 Equity shares were allotted to Mr. Kumar S. Taurani, 2,17,917 Equity shares were allotted to Ms. Renu K. Taurani, 6,79,300 Equity shares were allotted to Mr. Ramesh S. Taurani, 5,54,333 Equity shares were allotted to Ms. Varsha R. Taurani, 7,00,000 Equity shares were allotted to Inga Management & Invests Pvt. Ltd.

14.6 The Details of the Board of Directors of the Company as on date of Public Announcement i.e. Monday, April 08, 2024 are as follows:

Sr. No.	Name, DIN, Age and Occupation of the Director	Designation	Qualifications	Date of Appointment/ Reappointment	Other Directorships
1	Name: <b>Kumar S. Taurani</b> DIN: <b>00555831</b> Age: <b>65 years</b> Occupation: <b>Salaried</b>	Chairman & Managing Director	B.com	Re-appointment 01.06.2022	1. Tips Films Limited
2	Name: <b>Ramesh S. Taurani</b> DIN: <b>00010130</b> Age: <b>64 Years</b> Occupation: <b>Salaried</b>	Executive Director	B.com	Re-appointment 01.06.2022	1. Tips Films Limited
3	Name: <b>Girish Taurani</b> DIN: <b>08695775</b> Age: <b>37 Years</b> Occupation: <b>Salaried</b>	Executive Director	B.com	Re-appointment 01.06.2022	2. NIL
4	Name: <b>Amitabh Mundhra</b> DIN: <b>00014227</b> Age: <b>56 Years</b>	Independent Director	B. Sc. Eng. Degree	Re-appointment 08.08.2019	1. JMS Addcar International Private Limited 2. JMS Mining Private Limited

	Occupation: <b>Business</b>				<ol style="list-style-type: none"> <li>3. Citrop India Private Limited</li> <li>4. Pahal Investment Private Limited</li> <li>5. Simplex Oil Exploration Limited</li> <li>6. Simplex Technologies Private Limited</li> <li>7. Arabian Construction Co - Simplex Infra Private Limited</li> <li>8. Sri Mohamaya Investments Pvt Ltd</li> <li>9. Shree Farms Pvt Ltd</li> <li>10. Mundhra Realty Private Limited</li> <li>11. Anupriya Consultants Pvt Ltd</li> <li>12. Simplex Concrete Piles (India) Limited</li> <li>13. JMS Urtan North Private Limited</li> <li>14. RBS Credit and Financial Developments Pvt. Ltd.</li> </ol>
5	Name: <b>Tara Subramaniam</b> DIN: <b>07654007</b> Age: <b>71 Years</b> Occupation: <b>Professional</b>	Independent Director	LL.B	Appointment 31.05.2022	<ol style="list-style-type: none"> <li>1. Nisus Finance Services Co Private Limited</li> <li>2. Deltatech Gaming Limited</li> <li>3. Restaurant Brands Asia Limited</li> <li>4. JM Financial Home Loans Limited</li> <li>5. Punjab Chemicals and Crop Protection Limited</li> <li>6. Vascon Engineers limited</li> </ol>
6	Name: <b>Shashikant Vyas</b> DIN: <b>00237150</b> Age: <b>69 Years</b> Occupation: <b>Professional</b>	Independent Director	C.A	Appointment 31.05.2022	<ol style="list-style-type: none"> <li>1. Geyata Finance Private Limited</li> <li>2. Pancham-Nishad Creatives Private Limited.</li> <li>3. Ace Publications &amp; Promotions Private Limited</li> <li>4. R, A. Podar College of Commerce &amp; Economics Alumni Association</li> <li>5. Gunijaan Research Art Culture &amp; Education Foundation</li> </ol>

14.7 The details of changes in the Board of Directors during the last 3 years preceding the date of publication of Public Announcement, Monday, April 08, 2024 are as under:



Name of the Director	Appointment/ Resignation /Change in Designation	Effective Date	Reasons
Tara Subramaniam	Appointment	May 31, 2022	-
Shashikant Vyas	Appointment	May 31, 2022	-
Radhika Dudhat	Resignation	Closure of business hours of May 30, 2022	Appointed as an Independent Director in Tips Films Limited
Venkitaraman Iyer	Resignation	Closure of business hours of May 30, 2022	Appointed as an Independent Director in Tips Films Limited
Ramesh Taurani	Change in Designation	June 1, 2022	Appointed as a Managing Director in Tips Films Limited

14.8 The Buyback will not result in any benefit to the Promoter and Promoter Group and persons in control of the Company or any Directors of the Company, except to the extent change in their percentage shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the total Equity Share capital of the Company, post the Buyback.

## 15 FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient financial information of the Company as extracted from the latest Audited Financial Statements as at December 31, 2023 and preceding three financial years being March 31, 2023, March 31, 2022 and March 31, 2021 are as under:

### a) Based on audited standalone financial statements

(₹ in lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Audited	Audited	Audited	Audited (Refer note)
	IND AS	IND AS	IND AS	IND AS
<b>Months</b>	<b>9</b>	<b>12</b>	<b>12</b>	<b>12</b>
Total Income	18,739.03	19,213.76	13,879.52	9,542.22
Total Expenses (excluding Finance costs and Depreciation & amortization, Tax and exceptional items)	5,005.49	8,487.66	4,935.59	3,536.55
Finance Cost	26.49	28.61	7.28	2.09
Depreciation and amortization expense	146.68	132.59	74.94	81.17
Exceptional Items (Expenses/ (Income))	-	-	-	-
Profit/(Loss) before Tax	13,560.37	10,564.90	8,861.71	5,922.41
Tax Expense	3,420.00	2,912.74	2,406.16	1,575.53
Profit/(Loss) after Tax	10,140.37	7,652.16	6,455.56	4,346.88
Other Comprehensive Income/ (Loss) (OCI), net of tax	(45.93)	(1.80)	(10.79)	8.42
Total Comprehensive Income	10,094.44	7,650.36	6,444.77	4,355.30
Equity share capital	1,284.27	1,284.27	1,296.87	1,296.87
Other Equity	17,933.32	12,333.82	8,943.45	8,828.90
Less: OCI	(23.72)	22.21	24.01	34.80
Net worth	19,241.31	13,595.87	10,216.31	10,090.96
Non current Borrowings	-	-	-	-
Current portion of long term borrowings	-	-	-	-
Current borrowings	-	-	-	-
Total Debt	-	-	-	-

(1) The figures for the year ended March 31, 2021 are before the effect of Scheme of Arrangement (Demerger)

**b) The Financial Ratios are as follows:**

<b>Financial Ratios</b>	<b>For the period ended December 31, 2023</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022 (Refer Note 2)</b>	<b>For the year ended March 31, 2020 (Refer Note 1 &amp; 2)</b>
Earnings Per Share (Basic) (₹)	7.90	5.91	4.98	3.27
Earnings Per Share (Diluted) (₹)	7.90	5.91	4.98	3.27
Return on Net Worth (%)*	53%	56%	63%	43%
Book Value Per Share (₹)	14.98	10.59	7.88	7.78
Debt-Equity Ratio	-	-	-	-

\* Return on Net Worth for the period ended December 31, 2023 is not annualized

**Note:**

1. The figures for the year ended March 31, 2021 are before the effect of Scheme of Arrangement (Demerger).
2. EPS for the year ended March 31, 2022 and March 31, 2021. have been restated to have impact of the split/sub-division of equity shares of the Company.

The key financial ratios, mentioned herein above, have been computed as under:

Net worth	Equity Share Capital + Reserves and Surplus– OCI
Basic Earnings Per Shares	Net Profit / (Loss) after Tax Attributable to Equity Shareholders/ Weighted Number of Equity Shares outstanding
Diluted Earnings Per Shares	Net Profit / (Loss) after Tax Attributable to Equity Shareholders/ Weighted Number of Equity Shares outstanding, adjusted with dilutive potential ordinary shares
Book Value	Net worth / Number of Equity Shares outstanding at the end of the period/year
Debt-Equity Ratio	Total Debt / Net Worth
Return on Net Worth (%)	Net Profit / (Loss) after Tax/ Net worth

- 15.2 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with sections 68, 69, 70, 108 and 110 of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable.

**16 STOCK MARKET DATA**

- 16.1 The Equity Shares of the Company are currently listed and traded on BSE and NSE. The Equity Shares are currently traded under the scrip code 532375 at BSE and trading code TIPSINDLTD at NSE.
- 16.2 The high, low and average market prices in preceding three financial years (April to March) and the monthly high, low and average market prices for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE and NSE are as follows:

**BSE**

Period	High (₹) <sup>(1)</sup>	Date of High	No. of equity shares traded on that day	Low (₹) <sup>(2)</sup>	Date of Low	No. of equity shares traded on that day	Average Price (₹) <sup>(3)</sup>	Total volume traded in that period (No. of shares)
<b>PRECEDING THREE FINANCIAL YEARS (F.Y.)</b>								
Financial Year 2024	1713.45	20-Apr-23	2427	148	04-May-23	3207	385.34	2,19,79,189
Financial Year 2023	2374.9	05-Apr-22	263	1273.95	14-Jun-22	3367	1681.01	3,45,074
Financial Year 2022	2620.30	18-Jan-22	5163	446.85	01-Apr-21	367	1416.56	8,00,288
<b>PRECEDING SIX MONTHS</b>								
March 2024	527.95	01-Mar-24	46509	402.4	14-Mar-24	38523	477.2	3,53,013
February 2024	531.10	26-Feb-24	40619	395.55	05-Feb-24	64770	459.46	8,07,821
January 2024	438.35	30-Jan-24	28203	335.6	01-Jan-24	53577	385.52	77,18,015
December 2023	396.95	11-Dec-23	10429	337.8	20-Dec-23	9587537	356.11	1,03,42,090
November 2023	398.4	20-Nov-23	11586	339.65	03-Nov-23	22004	365.88	3,85,803
October 2023	383	19-Oct-23	74593	292.6	09-Oct-23	4204	329.77	4,43,650

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

<sup>(1)</sup>High of daily high prices

<sup>(2)</sup>Low of daily low prices

<sup>(3)</sup>Average of the daily closing prices

**NSE**

Period	High (₹) <sup>(1)</sup>	Date of High	No. of equity shares traded on that day	Low (₹) <sup>(2)</sup>	Date of Low	No. of equity shares traded on that day	Average Price (₹) <sup>(3)</sup>	Total volume traded in that period
<b>PRECEDING THREE FINANCIAL YEARS (F.Y.)</b>								
Financial Year 2024	1,714.90	20-Apr-23	36,346	148.3	25-Apr-23	1,18,748	385.49	8,25,38,566
Financial Year 2023	2,368.00	06-Apr-22	3,861	1,250.10	14-Jun-22	23,786	1,680.99	27,85,024
Financial Year 2022	1060.00	25-May-21	36798	490	27-Apr-21	10224	798.64	8,61,142

Period	High (₹) <sup>(1)</sup>	Date of High	No. of equity shares traded on that day	Low (₹) <sup>(2)</sup>	Date of Low	No. of equity shares traded on that day	Average Price (₹) <sup>(3)</sup>	Total volume traded in that period
<b>PRECEDING SIX MONTHS</b>								
March 2024	529.00	01-Mar-2024	5,35,730	401.15	14-Mar-2024	2,79,960	477.33	39,90,205
February 2024	530.95	26-Feb-2024	3,95,320	396.00	05-Feb-2024	5,16,826	459.44	85,55,688
January 2024	438.40	30-Jan-2024	6,06,929	335.95	01-Jan-2024	13,57,028	385.54	1,80,35,719
December 2023	378.15	18-Dec-2023	2,69,472	337.25	21-Dec-2023	14,65,607	356.23	1,68,57,793
November 2023	399.35	20-Nov-2023	2,82,111	338.70	03-Nov-2023	2,20,595	366.15	35,63,526
October 2023	384.50	19-Oct-2023	15,11,159	300.15	10-Oct-2023	52,356	330.08	65,56,818

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

<sup>(1)</sup>High of daily high prices

<sup>(2)</sup>Low of daily low prices

<sup>(3)</sup>Average of the daily closing prices

16.3 The closing market price of the Equity Shares on BSE and NSE on February 23, 2024, being the date on which the Company intimated to the Stock Exchange of the date of the Board Meeting was ₹498.05 and ₹498.20, respectively. The closing market price of the Equity Shares as on the date of the Board Meeting i.e. February 28, 2024 was ₹507.65 on the BSE and ₹506.8 on the NSE

## 17 DETAILS OF THE STATUTORY APPROVALS

The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.

Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under Regulations 10B of FEMA 20/2000-RB, dated 3-5-2000, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI, subject to the adherence to relevant pricing guidelines of SEBI, documentation and reporting requirements for such transfers as specified by RBI for a listed company.

Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.

Registered Foreign Portfolio Investor including QFIs (RFPI) are permitted under the Foreign Portfolio Investor Scheme (FPI) to sell their duly acquired shares through buyback of shares by a listed Indian company in accordance with the SEBI (Buy Back of Securities) Regulations, 2018.

As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

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.

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

## **18 DETAILS OF THE REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE**

### **18.1 REGISTRAR TO THE BUYBACK**



#### **LINK INTIME INDIA PRIVATE LIMITED**

C-101, 247 Park L.B.S. Marg, Vikhroli (W), Mumbai– 400083

**Tel. No.:** +91 810 811 4949; **Fax:** +91 22 4918 6195;

**Contact person:** Ms. Shanti Gopalakrishnan;

**Email:** tips.buyback2024@linkintime.co.in;

**Website:** www.linkintime.co.in;

**SEBI Registration Number:** INR000004058;

**CIN:** U67190MH1999PTC118368

### **18.2 COLLECTION CENTRE**

Eligible Shareholders are requested to submit their Tender Form(s) and requisite documents either by registered post / speed post to the Registrar to the Buyback, superscribing the envelope as “Tips Industries Limited-Buyback Offer 2024”, or hand deliver the same to the Registrar to the Buyback at the address mentioned in paragraph above, so that the same are received on or before the Buyback Closing Date i.e. Friday, May 03, 2024 by 5 p.m. (IST).

**PLEASE NOTE THAT IT IS NOT MANDATORY FOR ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM TO SUBMIT THE TENDER FORM AND THE TRS.**

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

## **19 PROCESS AND METHODOLOGY FOR THE BUYBACK**

19.1 The Company proposes to Buyback up to 5,95,000 (Five Lakhs Ninety-Five Thousand) fully paid-up equity shares having a face value of ₹1/- (Rupee One only) (representing up to 0.46% of the total issued and paid-up Equity Shares of the Company) from the Eligible Shareholders, on a proportionate basis, through the Tender Offer route using stock exchange mechanism at a price of ₹625 (Rupees Six Hundred Twenty Five only) per Equity Share, payable in cash for an aggregate maximum amount of up to ₹37,18,75,000 (Rupees Thirty Seven Crores Eighteen Lakhs Seventy Five Thousand Only). The Buyback is in accordance with the provisions of

Section 68, 69, 70 and other applicable provisions, if any, of the Companies Act and in accordance with Article 6 of the Articles of Association of the Company and subject to Regulation 4(iv)(a) and other applicable provisions contained in the Buyback Regulations and such other approvals, permissions and sanctions as may be required, from time to time from statutory authorities and/ or regulatory authorities. The Buyback Size is 24.89% of the aggregate of the fully paid-up equity share capital and free reserves as per the Audited Financial Statements

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

19.3 The aggregate shareholding of the Promoter and Promoter Group and persons in control as on the date of the Public Announcement is 8,20,16,380 Equity Shares which represents 63.86% of the total number of outstanding Equity Shares of the Company. In terms of the Buyback Regulations, under the tender offer, the Promoters and Promoter group have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group have expressed their intention not to participate in the Buyback and shall not tender any equity shares in the Buyback. In this regard, the Promoter and persons in control have expressed their intention vide their letters dated February 28, 2024 to not participate in the Buyback.

19.4 Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Shareholders (except Promoter and Promoter Group), the aggregate shareholding of the Promoter and Promoter Group and persons in control post the Buyback will be 8,20,16,380 number of Equity Shares representing 64.16% of the total number of outstanding Equity Shares of the Company, post the Buyback.

19.5 **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**

- (i) As required under the SEBI Buyback Regulations, the Company has fixed Monday, April 22, 2024 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buyback.
- (ii) The Equity Shares to be bought back as a part of this Buyback are divided into two categories:
  - (a) Reserved category for Small Shareholders (“**Reserved Category**”); and
  - (b) General category for Eligible Shareholders other than the Small Shareholders (“**General Category**”).
- (iii) As defined in the Buyback Regulations, Small Shareholder includes a shareholder, who holds Equity Shares of the Company, as on the Record Date, whose market value, on the basis of closing price on the recognized Stock Exchange registering the highest trading volume, as on Record Date, is not more than ₹2,00,000/- (Rupees Two Lakh Only). As on the Record Date, the closing price on April 22, 2024, on, NSE being the stock exchange registering the highest trading volume, was ₹464.65 /-. Accordingly, all Equity Shareholders holding not more than 430 Equity Shares as on the Record Date are classified as “Small Shareholders” for the purpose of the Buyback.
- (iv) Small Shareholders holdings of multiple demat accounts would be clubbed together for identification of small shareholder if sequence of Permanent Account Number for all holders is matching. Similarly, in case of physical shareholders, if the sequence of names of joint holders is matching, holding under such folios should be clubbed together for identification of small shareholder .
- (v) Based on the above definition, there are 72,593 Small Shareholders in the Company with aggregate shareholding of 3,602,529 Equity Shares as on the Record Date, which constitutes 2.81% of the total number of outstanding Equity Shares of the Company and 605.47 % of the maximum number of Equity Shares which the Company proposes to buyback as a part of this Buyback.
- (vi) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be higher of:

- (a) 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 5,95,000 (Five Lakhs Ninety-Five Thousand) Equity Shares which works out to 89,250 (Eighteen-Nine Thousand Two Hundred and Fifty) Equity Shares; or
- (b) The number of Equity Shares entitled as per their shareholding as on Record Date i.e. Monday, April 22, 2024 i.e.  $(3,602,529/46,410,210) * 5,95,000$  which works out to be 46,187 Equity Shares.

All the outstanding Equity Shares held by public shareholders have been used for computing the Buyback Entitlement of Small Shareholders excluding Equity Shares held by the Promoter and Persons in Control since they do not intend to offer Equity Shares held by them in the Buyback.

Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 89,250 (Rounded off) Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of 505,750 Equity Shares.

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

Category of Shareholders	Indicative Entitlement ratio in the Buyback*
Reserved category for Small Shareholders	11 Equity Shares out of every 444 Equity Shares held on the Record Date.
General category Eligible Shareholders other than Small Shareholders	11 Equity Shares out of every 931 Equity Shares held on the Record Date.

\* The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is 0.024774263 % and General Category for all other eligible Shareholders is 0.011814469%.

#### 19.6 Fractional Entitlements:

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold 40 or less Equity Shares as on the Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Shareholders to the extent possible and permissible.

#### 19.7 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:

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

- (i) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the acceptance as described in paragraph 19.6 (i) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and 1 (one) share each from the

Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.

- (iii) Post the acceptance as described in paragraph 19.6 (i) and 19.6 (ii) above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buyback Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.7 (ii) above, shall be reduced by 1 (one).
- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.6 (iii) above:
  - (a) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - (b) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored

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

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

- (i) Acceptance of 100% Equity Shares from Eligible Shareholders other than Small Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.7 (i) above, in case there are any Equity Shares left to be bought back in the General Category, then the Additional Equity Shares tendered by the other Eligible Shareholders over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Shareholders divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- (iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.7 (ii) above:
  - (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, 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, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final



allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19 of this Letter of Offer.

#### 19.9 Basis of Acceptance of Equity Shares between Categories

- (i) In the event the Equity Shares tendered by the Small Shareholders in accordance with the process set out under Paragraph 20.7 (*Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders*) of this Letter of Offer is less than the Reserved Portion, Additional Equity Shares tendered by the Eligible Shareholders in the General Category over and above their Buyback Entitlement shall, in accordance with the Buyback Regulations, be Accepted in proportion of the Additional Equity Shares tendered by them i.e., valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by an Eligible Shareholder in the General Category divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the Additional Equity Shares that can be accepted due to shortfall in the Reserved Portion.
- (ii) In the event the Equity Shares tendered by the Eligible Shareholders in the General Category in accordance with the process set out under Paragraph 20.8 (*Basis of Acceptance of Shares validly tendered in the General Category*) of this Letter of Offer is less than the General Portion, Additional Equity Shares tendered by the Eligible Shareholders in the Reserved Category over and above their Buyback Entitlement shall, in accordance with the Buyback Regulations, be Accepted in proportion of the Additional Equity Shares tendered by them i.e., valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by an Eligible Shareholder in the Reserved Category divided by the total Additional Equity Shares validly tendered in the Reserved Category and multiplied by the Additional Equity Shares that can be accepted due to shortfall in the General Portion.
- (iii) A Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority Acceptance of one Equity Share before Acceptance, as mentioned above, out of the Equity Shares left to be bought back in the General Category, provided no Acceptance could take place from such Small Shareholder in accordance with the section entitled "*Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders*"
- (iv) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.8 (i), (ii) and (iii) above:
  - (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 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - (b) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

#### 19.10 For avoidance of doubt, it is clarified that:

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

to such acceptance or rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in this paragraph.

#### 19.11 **Clubbing of Entitlement**

In order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. 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 such as mutual funds, pension funds/trusts, insurance companies, etc. with a 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 as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body – broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

### **20 PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT**

- 20.1 The Buyback is open to all Eligible Shareholders/beneficial owners for Eligible Shareholders of the Company, holding Equity Shares either in physical and/or electronic form on the Record Date (subject to the provisions of paragraph 20.23 and 20.24).
- 20.2 The Company proposes to implement the Buyback through the tender offer process, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback and additional disclosures as specified in the SEBI Buyback Regulations, is being sent to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date, as per Regulation 6 of the SEBI Buyback Regulations and such other circulars or notifications, as may be applicable.
- 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. On receipt of a request from any shareholder to receive a copy of the letter of offer in physical form, the same shall be provided. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.27 below.
- 20.4 The Company will not accept any Equity Shares offered in the Buyback which are under 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 is otherwise not clear and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or where any other restraint subsists or otherwise.
- 20.5 All purchases pursuant to the Offer will be paid for in Indian rupees, including to holders of Equity Shares who are resident outside India. Payment of consideration shall be made within five (5) Working Days of the closure of the Offer as required by the Buyback Regulations. Accordingly, the Registrar will process the bids under the Offer as promptly as practicable after the closure of the Offer, and the Company expects to start making payments for accepted bids as promptly as practicable and within five (5) Working Days after the Buyback Closing Date.
- 20.6 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.

- 20.7 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 Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback. The Board or Buyback 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.
- For the Clearing Corporation to make a payout of more than ₹50,00,00,000 (Rupees Fifty Crore only), a Legal Entity Identifier (LEI) number of the Eligible Shareholder will have to be provided. Accordingly, an Eligible Shareholder who is tendering shares of value more than ₹50,00,00,000 (Rupees Fifty Crore only) will have to provide LEI number with the relevant supporting documents such as the LEI registration certificate to the Registrar through email at [tips.buyback2024@linkintime.co.in](mailto:tips.buyback2024@linkintime.co.in) latest by 5 p.m. (IST) on the Buyback Closing Date
- 20.8 Eligible Shareholders' participation in Buyback is voluntary. Eligible Shareholders holding Equity Shares of the Company may choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. 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 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 Buyback Entitlement by the Eligible Shareholder shall be in terms of the procedure outlined herein.
- 20.9 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.
- 20.10 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Shareholders will be accepted as per paragraph 19.6, 19.7, 19.8, 19.9 and 20.11.
- 20.11 As elaborated under paragraph 19.4 above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories; (a) Reserved category for Small Shareholders and (b) the General category for Eligible Shareholders other than Small Shareholders and the Buyback Entitlement of an Eligible Shareholders in each category shall be calculated accordingly.
- 20.12 After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
- 20.13 The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI circular and following the procedure prescribed in the Companies Act and the Buyback Regulations, and as may be determined by the Board (including any person authorized by the Board to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.14 For implementation of the Buyback, the Company has appointed ITI Securities Broking Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlement on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

**Tel. No.:** 022-69093655/56

**Contact Person:** Mr. Himanshu Shah

**Email:** [himanshu.shah@itiorg.com](mailto:himanshu.shah@itiorg.com)

**Website:** <https://www.itisbl.com>

**Investor Grievance E-mail:** [igsb@itiorg.com](mailto:igsb@itiorg.com)

**SEBI Registration Number:** INZ000005835

**Corporate Identity Number:** U74120MH1994PLC077946

- 20.15 The Acquisition Window will be provided by the BSE to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. The details of the platform will be specified by BSE from time to time.
- 20.16 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker.
- 20.17 In the event Seller Member(s) are not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker viz. ITI Securities Broking Limited, to bid by using quick UCC facility. The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker.
- 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 stock brokers during normal trading hours of the secondary market. The stock brokers ("Seller Member(s)") can enter orders for demat shares as well as physical shares.
- 20.19 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback. Multiple bids made by single Eligible Shareholder selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of Acceptance.
- 20.20 The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the tendering period.
- 20.21 All documents sent by the Eligible Shareholder will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.22 Modification/cancellation of orders will be allowed during the tendering period of the Buyback.
- 20.23 The cumulative quantity of Equity Shares tendered under the Buyback shall be made available on the website of the Stock Exchanges throughout the trading session and will be updated at specific intervals during the tendering period.
- 20.24 **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form**
- (i) Eligible Shareholders who desire to tender their Equity Shares in the electronic/ dematerialized form under Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.
  - (ii) The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. For further details, Eligible Shareholders may refer to the circulars issued by the Stock Exchanges and Indian Clearing Corporation Limited and the National Securities Clearing Corporation (collectively referred to as the "Clearing Corporations").
  - (iii) The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. For further details, Eligible Shareholders may refer to the circulars issued by the Stock Exchanges and Indian Clearing Corporation Limited and the National Securities Clearing Corporation (collectively referred to as the "Clearing Corporations").
  - (iv) The details and the settlement number under which the lien will be marked on the Equity Shares tendered for the Buyback will be provided in a separate circular to be issued by the Stock Exchanges and/or the Clearing Corporation.

- (v) 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 shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation. 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.
- (vi) Upon placing the bid, the Seller Member shall provide a Transaction Registration Slip (the "TRS") generated by the exchange bidding system to the Eligible Shareholder. 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. In case of non-receipt of the completed tender form and other documents, but lien marked on Equity Shares and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
- (vii) 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.
- (viii) It is clarified that in case of dematerialized Equity Shares, submission of the tender form and TRS to the Registrar is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for Eligible Shareholders holding Equity Shares in demat form.
- (ix) The Eligible Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company. In the event if any equity shares are tendered to Clearing Corporation, excess dematerialized equity shares or unaccepted dematerialized equity shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the security transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the shareholder broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be refunded to the respective custodian depository pool account.
- (x) Eligible Shareholders who have tendered their demat shares in the Buyback shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not limited to): (a) duly attested power of attorney, if any person other than the Eligible Shareholder has signed the tender form; (b) duly attested death certificate and succession certificate/legal heirship certificate, in case any Eligible Shareholder is deceased, or court

approved scheme of merger/amalgamation for a company; and (c) in case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolution).

- (xi) The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
- (xii) The reporting requirements for non-resident shareholders under Reserve Bank of India, 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 Shareholder Broker through which the Eligible Shareholder places the bid.
- (xiii) 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 buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the savings bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company

#### **20.25 Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in physical form**

In accordance with the with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, Eligible Shareholders holding Equity Shares in physical form can participate in the Buyback. The procedure is as below:

- a. Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out. Such documents include (i) the tender form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares (ii) original Equity Share certificate(s), (iii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of the Eligible Shareholder's PAN card, (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder has 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.
- b. Based on the aforesaid documents, the Seller Member shall place the bid on behalf of the Eligible Shareholder who is holding Equity Shares in physical form and intend to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the Exchange Bidding System to the Eligible Shareholder. The TRS will contain the details of order submitted such as folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.
- c. The Seller Member/Eligible Shareholder is required to deliver the original Equity Share certificate(s) and documents (as mentioned in Paragraph a. above) along with the TRS either by registered post or courier or hand delivery to the registrar to the Buyback i.e. Link Intime India Private Limited ("Registrar") at the address mentioned at Paragraph 16 below or the collection centre of the Registrar details of which will be included in the Letter of Offer within 2 days of bidding by Seller Member and the same should reach not later than the

buyback closing date. The envelope should be super-scribed as “Tips Industries Limited- Buyback Offer 2024”. One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Shareholder.

- d. Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and all such time the Stock Exchanges shall display such bids as ‘unconfirmed physical bids’. Once the Registrar confirms the bids, it will be treated as ‘Confirmed Bids’.
  - e. 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 Buyback before the closure of the tendering period of the Buyback.
  - f. An unregistered shareholder holding Equity Shares in physical form may also tender their Equity Shares in the Buyback 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
- 20.26 **For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 “Details of the Statutory Approvals”):**
- a. While tendering their Equity Shares under the Buyback, all Eligible Shareholders being Non-Resident Shareholders (excluding FIIs) shall enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
  - b. Eligible Shareholders who are FIIs/FPIs should also enclose a copy of their SEBI registration certificate.
  - c. In case the Equity Shares are held on a repatriation basis, the Non-Resident Eligible Shareholders shall obtain and enclose a letter from the Eligible Shareholder’s authorised dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the Non-Resident shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted in the Buyback.
  - d. If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.
  - e. The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
  - f. The reporting requirements for non-resident shareholders under Reserve Bank of India, 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 Stock Broker through which the Eligible Shareholder places the bid.
  - g. The participation of the Eligible Shareholders in the Buyback 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 Buyback. The Company will not be responsible in any manner for

any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard

#### 20.27 In case of non-receipt of the Letter of Offer:

- (i) **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. <https://tips.in/>, [Registrar to the Buyback at www.linkintime.co.in](https://tips.in/), [NSE at www.nseindia.com](https://tips.in/), [BSE at www.bseindia.com](https://tips.in/), [the Manager to the Buyback at www.ingaventures.com](https://tips.in/) or by providing their application in writing on plain paper, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback.
- (ii) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buyback by providing their application in writing on plain paper signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, bank account details together with the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed Form SH-4 in favour of the Company. The transfer Form (SH-4) can be downloaded from the Company's website <https://tips.in/> [Registrar to the Buyback at www.linkintime.co.in](https://tips.in/), [NSE at www.nseindia.com](https://tips.in/), [BSE at www.bseindia.com](https://tips.in/), [the Manager to the Buyback at www.ingaventures.com](https://tips.in/). Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.24 (a) above), reach the collection centers not later than the Buyback Closing Date i.e. Friday, May 03, 2024 (by 5 PM). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar / Company or are not in the same order (although attested), the Company / Registrar shall have a right to reject such applications.

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

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

- 20.28 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to, any Eligible Shareholder, shall not invalidate the Buyback in any way.
- 20.29 The acceptance of the Buyback made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

#### 20.30 Method of Settlement

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

- a. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- b. The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. For Equity Shares accepted under the Buyback, 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 Reserve Bank of India/Eligible Shareholders' bank due to any reason, then such funds will be transferred to the concerned Stock Broker's settlement bank account for onward transfer to such Eligible Shareholders.

- 20.31 For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account
- 20.32 In case of certain client types, i.e., NRI, foreign clients, etc. (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 Stock Exchanges and the Clearing Corporation from time to time.
- 20.33 Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporations by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporations will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporations.
- 20.34 In relation to the physical Equity Shares:
- i) If physical Equity Shares tendered by Eligible Shareholders are not accepted, the share certificate would be returned to such Eligible Shareholders by registered post or by ordinary post or courier at the Eligible Shareholders' sole risk. The Company also encourages Eligible Shareholders holding physical shares to dematerialize their physical shares.
  - ii) If however, only a portion of the physical shares held by an Eligible Shareholder is accepted in the Buyback, then the Company is authorised to split the share certificate and issue a Letter of Confirmation ("LOC") in accordance with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 with respect to the new consolidated share certificate for the unaccepted Equity Shares tendered in the Buyback. The LOC shall be dispatched to the address registered with the Registrar and Transfer Agent ("RTA"). The RTA shall retain the original share certificate and deface the certificate with a stamp "Letter of Confirmation Issued" on the face/ reverse of the certificate to the extent of the excess physical shares. The LOC shall be valid for a period of 120 days from the date of its issuance, within which the Equity Shareholder shall be required to make a request to their depository participant for dematerializing the physical Equity Shares. In case the Equity Shareholder fails to submit the demat request within the aforementioned period, the RTA shall credit the physical Equity Shares to a separate demat account of the Company opened for the said purpose.
- 20.35 The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("Special Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- 20.36 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 non –acceptance.
- 20.37 In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account

details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.

- 20.38 The Seller Member(s) would issue contract note and pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted Equity Shares to their respective clients. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- 20.39 Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Shareholders directly by Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by the Equity Shareholders holding Equity Shares in the physical form.
- 20.40 Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholder from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- 20.41 The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 20.42 The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulation

20.43 Rejection Criteria

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

For Eligible Shareholders holding shares in the dematerialized form if:

- a) the Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or
- b) If there is a name mismatch in the dematerialised account of the Shareholder and PAN.

For Eligible Shareholders holding Equity Shares in the physical form:

- a) 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 Friday, May 03, 2024 by 5.00 p.m.;
- b) If there is any other company's share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate;
- e) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar and Transfer Agent;

- f) If the documents mentioned in instruction number 4 and 5 of the Tender Form for physical Equity Shareholders are not received by the Registrar before the close of business hours to the Registrar on or before Friday, May 03, 2024 by 5.00 p.m.;
- g) If the Shareholder is not a Eligible Shareholder of the Company on the Record Date;
- h) If there is a name mismatch in the share certificate of the Shareholder;
- i) If the Eligible Shareholder has made a duplicate bid;
- j) 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.

## 21 NOTE ON TAXATION

The tax considerations given hereunder in the Note are based on the current provisions of the tax laws of India and the regulations thereunder, the judicial and the administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such changes could have different tax implications.

Further, in view of the 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 implications set out below should be treated as indicative and for guidance purpose only.

**FINANCE (NO. 2) BILL 2019 INTRODUCED IN LOK SABHA HAS ALREADY BEEN PASSED BY THE PARLIAMENT AND RECEIVED THE ASSENT OF HON'BLE PRESIDENT OF INDIA ON AUGUST 1, 2019, CONVERTING THE BILL INTO THE ACT. THIS ACT HAS CHANGED THE PROVISIONS OF SECTION 115QA OF THE INCOME TAX ACT, 1961 BY OMITTING THE WORDS "NOT BEING SHARES LISTED ON A RECOGNISED STOCK EXCHANGE". THE EFFECT OF THIS OMISSION IS THAT THE PROVISIONS OF SECTION 115QA RELATING TO THE BUY BACK OF THE SHARES, WHICH WERE HITHERTO NOT APPLICABLE TO THE BUY BACK OF SHARES WHICH WERE LISTED ON A RECOGNISED STOCK EXCHANGE, HAVE NOW BECOME APPLICABLE EVEN TO THE BUY BACK OF SHARES LISTED ON A RECOGNISED STOCK EXCHANGE. SECTION 115QA HAS BEEN FURTHER AMENDED BY TAXATION LAWS (AMENDMENT) ORDINANCE, 2019. THE AMENDED PROVISIONS OF SECTION 115QA ARE APPLICABLE IN RESPECT OF ALL THE BUY BACK OF SHARES LISTED ON A RECOGNISED STOCK EXCHANGE WHOSE PUBLIC ACCOUNCEMENT HAS BEEN MADE ON OR AFTER 5 JULY 2019. IN VIEW OF THE COMPLEXITY AND THE SUBJECTIVITY INVOLVED IN THE TAX CONSEQUENCES OF A BUY BACK TRANSACTION, ELIGIBLE SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE TAX TREATMENT IN THEIR HANDS CONSIDERING THE RELEVANT TAX PROVISIONS, FACTS AND CIRCUMSTANCES OF THEIR CASE.**

### **I. INCOME TAX PROVISIONS IN RESPECT OF BUY BACK OF SHARES LISTED ON THE RECOGNISED STOCK EXCHANGE (BUY BACK WHOSE PUBLIC ACCOUNCEMENT HAS BEEN MADE ON OR AFTER 5TH JULY 2019 CONSIDERING RELEVANT AMENDMENTS UNDER THE FINANCE (NO. 2) ACT, 2019) AND TAXATION LAWS (AMENDMENT) ORDINANCE, 2019**

- a) Section 115QA of the Act provides for the levy of additional Income tax at the rate of twenty per cent (excluding surcharge and Health and Education cess, as applicable) on any amount of distributed income by the company on buy-back of shares from the shareholder.
- b) As additional income-tax at the rate of twenty per cent (excluding surcharge and Health and Education cess, as applicable) of the distributed income on account of buyback of listed shares by the company has been levied at the level of company under Section 115QA of the Act, the consequential income arising in the

hands of shareholders has been exempted from tax under sub-clause (34A) of section 10 of the Act. With the amendment in the Act, extending the provisions of Section 115QA of the Act to companies listed on recognised stock exchange, exemption under sub-clause (34A) of section 10 of the Act is extended to shareholders of the listed company on account of buyback of shares on which additional income-tax has been paid by the company.

- c) The consequential income will be exempted in the hands of the shareholder irrespective of the class/residential status of the shareholder and purpose for which shares are held (i.e. as “Investments” or “Stock in Trade”) under sub-clause(34A) of Section 10 of the Act.

## **II. TAX DEDUCTION AT SOURCE**

The Consequential income arising in the hands of shareholder will be exempted by virtue of sub clause (34A) of Section 10 of the Act. Therefore, no TDS/WHT will be deductible on the said income.

## **22 DECLARATION BY THE BOARD OF DIRECTORS**

The Board of Directors made declaration as on the date of passing the board resolution approving the Buyback i.e. February 28, 2024 as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations. Subsequently, pursuant to the authority granted by the Board of Directors of the Company, in terms of resolutions dated February 28, 2024, Mr. Kumar S. Taurani, Chairman & Managing Director, Mr. Ramesh S. Taurani, Executive Director, Mr. Sushant Dalmia, Chief Financial Officer and Ms. Bijal Patel, Company Secretary have confirmed on behalf of Board of Directors that:

1. There are no defaults subsisting in the repayment of deposits accepted either before or after the Companies Act, 2013, interest payment thereon, redemption of debentures or interest payment thereon or redemption of debentures or preference shares or payment of dividend due to any shareholder, or repayment of any term; loans or interest payable thereon to any financial institution or banking companies, as the case may be.
2. The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and are of the opinion that:
  - a) That immediately following the date convening of the Meeting of the Board of Directors i.e. February 28, 2024 and date on which the result of the shareholders’ resolution passed by way of postal ballot was declared there will be no ground on which the Company could be found unable to pay its debts.
  - b) As regards its prospects for the year immediately following the date of the meeting of the Board of Directors i.e. February 28, 2024 and date on which the result of the Shareholders Resolution passed by way of postal ballot was declared having regard to the Board’s intention with respect to the management of Company’s business during that year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of that Board meeting; and
  - c) They further stated that in forming its opinion for the above purpose, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent not repealed), or the Insolvency and Bankruptcy Code, 2016, the Companies Act ( to the extent notified), (including prospective and contingent liabilities) as amended from time to time.

This declaration has been made and issued by the directors under the authority of the Board in terms of the resolution passed at the meeting held on February 28, 2024.

For and on behalf of the Board of Directors of **Tips Industries Limited**

Sd/-  
**Kumar S. Taurani**  
**Chairman & Managing Director**

Sd/-  
**Ramesh S. Taurani**  
**Executive Director**

## 23 AUDITORS CERTIFICATE

### Quote

To,

**The Board of Directors,**

**Tips Industries Limited**

601, Durga Chambers, 6th Floor,  
Opposite B.P.L. Gallery  
278/E, Linking Road, Khar (West)  
Mumbai - 400 052

Dear Sir,

**Sub: Statutory Auditor's certificate in connection with proposed buyback of equity shares of face value of Re. 1/- each of Tips Industries Limited ('Company') in terms of Securities and Exchange Board of India (Buy Back of Securities) Regulations 2018 ('Buyback Regulations'), as amended, through Tender Offer ('Buyback')**

1. This Report is issued in accordance with the terms of our engagement letter dated February 22, 2024.
2. The Management of the Company has prepared the accompanying "Annexure A" – Statement of permissible capital payment as on December 31, 2023 (the "Statement") pursuant to the proposed buyback of equity shares approved by the Board of Directors of the Company (hereinafter the "Board of Directors") in their meeting held on February 28, 2024, in accordance with the provisions of sections 68, 69 and 70 of the Companies Act, 2013, as amended and the rules made thereunder, as amended (together the "Companies Act") and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations"). The Statement contains the computation of amount of permissible capital payment towards buyback of equity shares in accordance with the requirements of Section 68(2) read with Regulation 4(i) of the SEBI Buyback Regulations and based on the latest audited standalone financial statements for the period ended December 31, 2023. We have initialled the Statement for identification purposes only.

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

3. The preparation of the Statement in accordance with the requirements of section 68(2)(c) of the Companies Act and ensuring compliance with the SEBI Buyback Regulations, is the responsibility of the management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting approving the buyback of its equity shares i.e., February 28, 2024 (hereinafter referred as the "date of the Board meeting") and will not be rendered insolvent within a period of one year from the date of the Board meeting, and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016.

### **Auditor's Responsibility**

5. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance on:
  - a. Whether we have inquired into the state of affairs of the Company in relation of audited standalone financial statements for the period ended December 31, 2023;
  - b. Whether the amount of capital payment for the buyback, as stated in the Statement, is within the permissible limit and computed in accordance with the provisions of Section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations; and
  - c. Whether the Board of Directors of the Company, in its meeting held on February 28, 2024, has formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board meeting.
6. The audited standalone financial statements for the period ended December 31, 2023 were audited by us, on which we issued an unmodified audit opinion vide our report dated February 28, 2024. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the "ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
7. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note")', issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
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.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the matters as mentioned in this paragraph below. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the matters mentioned in this paragraph below. We have performed the following procedures in relation to the matters mentioned in this paragraph below:
  - a. Inquired into the state of affairs of the Company in relation to the audited standalone financial statements for the period ended December 31, 2023;
  - b. Examined authorization for buyback from the Articles of Association of the Company, approved by Board of Directors in its meeting held on February 28, 2024;
  - c. Traced the amounts of paid-up equity share capital, securities premium account, general reserve and retained earnings as at December 31, 2023 as disclosed in the accompanying Statement, with the audited standalone financial statements of the Company for the period ended December 31, 2023;

- d. Examined that the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice its paid-up capital and free reserves based on both, audited standalone financial statements of the Company as on December 31, 2023;
- e. Examined that all the shares for buy-back are fully paid-up;
- f. Examined that the Company has not availed any borrowings to discharge its obligations under the Buyback;
- g. Examined that the amount of capital payment for the buyback as detailed in the Statement is within the permissible limit computed in accordance with section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations;
- h. Inquired if the Board of Directors of the Company, in its meeting held on February 28, 2024 has formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board meeting;
- i. Examined Director's declarations in respect of the buyback and solvency of the Company; and
- j. Obtained necessary representations from the management of the Company.

### **Opinion**

- 10. Based on inquiries conducted and our examination as above, and according to the information and explanations provided to us by the management of the Company we report that:
  - a. We have inquired into the state of affairs of the Company in relation to its latest standalone audited financial statements for the period ended December 31, 2023;
  - b. The permissible capital payment towards buyback of equity shares, as stated in the Statement, is in our view properly determined in accordance with Section 68(2)(c) of the Companies Act read with Regulation 4(i) of the SEBI Buyback Regulations, based on the audited standalone for the period ended December 31, 2023; and
  - c. The Board of Directors, in their meeting held on February 28, 2024 has formed the opinion, as specified in clause (x) of Schedule I of the SEBI Buyback Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of Board meeting and we are not aware of anything to indicate that the opinion expressed by the directors in the declaration as to any of the matters mentioned in the declaration of insolvency is unreasonable in the circumstances as of the date of declaration.

### **Restriction on Use**

- 11. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of Equity Shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Act and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in public announcement, and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board

of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers in connection with the proposed buyback of Equity Shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act and the Buyback Regulations, and may not be suitable for any other purpose.

Yours faithfully,

**For SSPA & Associates**  
**Chartered Accountants**  
**Firm Registration No. 131069W**

Sd/-  
**Parag Ved**  
**Partner**  
**Membership No.: 102432**  
**UDIN: 24102432BKCIXA2744**

**Place: Mumbai**  
**Date: February 28, 2024**

#### ANNEXURE A - STATEMENT OF PERMISSIBLE CAPITAL PAYMENT

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(c) of the Companies Act, 2013 ("the Act"), based on audited standalone financial statements as at and for the period ended December 31, 2023.

Particulars	(Rs. in Lakhs)	
	As at December 31, 2023 (Standalone)	As at December 31, 2023 (Consolidated)
Equity Share Capital- Subscribed and Paid-up (A)	1,284.27	Not applicable
Free Reserves		
- Securities Premium Account	-	
- General Reserve	403.65	
- Surplus in Statement of Profit and Loss (Excluding OCI)	17,107.07	
<b>TOTAL FREE RESERVES (B)</b>	<b>17,510.72</b>	
<b>TOTAL (A+B)</b>	<b>18,794.99</b>	
Less: Dividend paid subsequent to December 31, 2023 ( Refer Note 2)	3,852.80	
<b>TOTAL</b>	<b>14,942.19</b>	
Maximum amount permissible for the Buy-back under Section 68 of the Act i.e. 25% of total paid up equity capital and free reserves	3,735.55	
Maximum amount permissible for buy back under section 68 of the Act, within the powers of the Board of Directors - 10% of total paid-up equity share capital and free reserves.	1,494.22	
Amount proposed by Board Resolution dated February 28, 2024 approving the Buyback. (Refer Note 3)	3718.75	



Note

- 1) The consolidation statements are not prepared by the Company, as they do not have any subsidiary, joint venture or associates, which requires consolidation.
- 2) Subsequent to December 31, 2023, the Company has declared & paid interim dividend of Rs.3/- per equity share. The same has been adjusted from reserves.
- 3) The impact of taxes on Buy back and transaction costs related of Buy back is not considered.

#### **For Tips Industries Limited**

**Name:** Kumar S. Taurani

**Designation** Chairman & Managing Director

**Place:** Mumbai

**Date:** February 28, 2024

#### *Unquote*

#### **24 MATERIAL DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the Registered Office of the 601, Durga Chambers, 6th Floor, Linking Road, Khar - West, Mumbai, Maharashtra, 400052 during office hours i.e. 10:00 A.M. and 5:00 P.M. on all Working Days except Saturday, Sunday and public holidays and on the website of the Company [www.tips.in](http://www.tips.in), during the Tendering Period :

- (i) Copy of Certificate of Incorporation of the Company.
- (ii) Copy of Memorandum and Articles of Association of the Company.
- (iii) Copy of Annual reports of the Company for the preceding three financial years viz. March 31, 2023, 2022 and 2021 and Audited Financial Statements for the nine months ended December 31, 2023.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on February 28, 2024 approving the proposal of the Buyback.
- (v) Certificate dated February 28, 2024 received from SSPA & Associates, Chartered Accountants, the statutory auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations.
- (vi) Copy of special resolution of the Equity Shareholders approving the Buyback, passed by way of postal ballot (including through e-voting), the results of which were announced on April 05, 2024.
- (vii) Certificate dated February 28, 2024 received from SSPA & Associates, Chartered Accountants, the statutory auditors of the Company, certifying that the debt-equity ratio immediately on completion of Buyback shall be in compliant with the permissible limit of 2:1 prescribed under the Act.
- (viii) Copy of Public Announcement dated Monday, April 08, 2024 published in the newspapers on Wednesday, April 10, 2024 regarding Buyback.
- (ix) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (x) Certificate dated February 28, 2024 received from SSPA& Associates, Chartered Accountants certifying that the Company has adequate and firm financial resources to fulfill its obligations under the Buyback.

- (xi) Opinion on the note on taxation, dated April 8, 2024 obtained by the Company from Abichandani & Associates, Chartered Accountants;
- (xii) Copy of the Escrow Agreement dated April 5, 2024 executed amongst the Company, Escrow Agent and the Manager to the Buyback.

## 25 DETAILS OF THE COMPLIANCE OFFICER

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

Bijal R. Patel  
Company Secretary  
Tips Industries Limited  
601, Durga Chambers, Linking Road, 6th Floor,  
Khar - West, Mumbai, Maharashtra, 400052;  
**Tel. No.:** +91 22 66431188  
**Email:** bijal@tips.in ; **Website:** https://tips.in/;  
**CIN:** L92120MH1996PLC099359

Eligible Shareholders may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 A.M. and 5:00 P.M. on all Working Days except Saturday, Sunday and public holidays during the tendering period.

## 26 DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

- (i) In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach the compliance officer of the Company and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68 of the Companies Act, 2013 or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, 2013, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, 2013, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

**The Registrar of Companies, Maharashtra, Mumbai**

100, Everest, Marine Drive Mumbai- 400002.

## 27 DETAILS OF INVESTOR SERVICE CENTRE

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

### **LINK INTIME INDIA PRIVATE LIMITED**

C-101, 247 Park L.B.S. Marg, Vikhroli (W), Mumbai - 400 083.

**Tel. No.:** +91 810 811 4949; **Fax:** +91 22 491869 6195;

**Contact person:** Ms. Shanti Gopalakrishnan;

**Email:** tips.buyback2024@linkintime.co.in;

**Website:** www.linkintime.co.in;

**SEBI Registration Number:** INR000004058;

**CIN:** U67190MH1999PTC118368

## 28 MANAGER TO THE BUYBACK



### **Inga Ventures Private Limited**

1229, Hubtown Solaris, N.S. Phadke Marg,  
Opp. Telli Galli, Andheri (East), Mumbai 400069

**Tel. No.:** 022 268540808;

**Contact Person:** Kavita Shah;

**Email:** kavita@ingaventures.com;

**Website:** [www.ingaventures.com](http://www.ingaventures.com);

**SEBI Registration No:** INM000012698;

**Validity:** Permanent

**CIN:** U67100MH2018PTC318359

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

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Letter of Offer. and confirms that such document contains true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board pursuant to resolution passed by the Board on Wednesday, February 28, 2024.

### **For and on behalf of the Board of Directors of Tips Industries Limited**

Sd/-  <b>Kumar S. Taurani</b> Chairman & Managing Director  (Director Identification Number (DIN): 00555831)	Sd/-  <b>Ramesh S. Taurani</b> Executive Director  (Director Identification Number (DIN): 00010130)	Sd/-  <b>Bijal Patel</b> Company Secretary & compliance officer  (Membership Number:A30140)
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**Date:** April 24, 2024

**Place:** Mumbai

## 30 TENDER FORM

- Tender Form (for Equity Shareholders holding shares in dematerialised form)
- Tender Form (for Equity Shareholders holding shares in physical form)
- Form No. SH-4 – Securities Transfer Form

**TENDER FORM (FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALISED FORM)**  
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Bid Number  
Date:

<b>BUYBACK OPENS ON</b>	<b>Friday, April 26, 2024</b>		
<b>BUYBACK CLOSES ON</b>	<b>Friday, May 03, 2024</b>		
<b>For Registrar/ Collection Centre Use</b>			
<b>Inward No.</b>			
<b>Date</b>			
<b>Stamp</b>			
<b>Status: Please tick appropriate box</b>			
Individual	<input type="checkbox"/>	Mutual Fund	<input type="checkbox"/>
Insurance Companies	<input type="checkbox"/>	Other QIBs	<input type="checkbox"/>
Company	<input type="checkbox"/>	VCF	<input type="checkbox"/>
Foreign Institutional Buyer	<input type="checkbox"/>	Financial Institution	<input type="checkbox"/>
Body corporate	<input type="checkbox"/>	Others (specify)	<input type="checkbox"/>

<b>India Tax Residency Status: Please tick appropriate box</b>			
Resident in India	<input type="checkbox"/>	Non- Resident in India	<input type="checkbox"/>
	<input type="checkbox"/>	Resident of	<input type="checkbox"/>
	<input type="checkbox"/>	_____	<input type="checkbox"/>
	<input type="checkbox"/>	(Shareholder to fill country of residence)	<input type="checkbox"/>

To,  
The Board of Directors  
**TIPS Industries Limited,**  
C/o. Link Intime India Private Limited  
C-101, 247 Park L.B.S. Marg, Vikhroli (W), Mumbai - 400 083.  
Dear Sir/Madam

**Sub: Letter of Offer dated April 24, 2024 in relation to the buyback of up to 5,95,000 (Five Lakhs Ninety-Five Thousand) Equity Shares of TIPS INDUSTRIES LIMITED (the “Company”) at a price of ₹625/- (Rupees Six Hundred and Twenty-Five Only) per Equity Share (the “Buyback Price”) payable in cash (the “Buyback”)**

- I/We, (having read and understood the Letter of Offer dated April 24, 2024 hereby tender/ offer my/our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
- I/We authorize the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I/We hereby affirm that the Equity Shares comprised in this tender/offer are offered for the Buyback by me/us free from all liens, equitable interest, charges and encumbrance.
- I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares for Buyback and that I/we am/are legally entitled to tender the Equity Shares for the Buyback.
- I/We agree that the Company will pay the Buyback Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism.
- I/We agree that we will ensure to 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 Buyback decided by the Company. Further, I/We will ensure to keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of equity shares by the Company.
- Non-Resident Shareholders (including NRIs, OCBs, FPI and Foreign Nationals) 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., “Tips Industries Limited ” and the price at which the Equity Shares are being transferred i.e., “Price determined in accordance with the Buyback Regulations” duly signed by the Shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.
- I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, 2013 and the rules made thereunder and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and the extant applicable foreign exchange regulations.

9. I / We agree to receive, at my own risk, the invalid / unaccepted Equity Shares under the Buy-back in the demat a/c from where I / we have tendered the Equity Shares in the Buy-back.
10. I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by us.
11. I / We acknowledge that the responsibility to discharge the tax due on any gains arising on buyback is on me/us. I/We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
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 Buyback in accordance with the Companies Act, 2013, the SEBI (Buy-back of securities) Regulations, 2018, and the extant applicable foreign exchange regulations. I/We agree that this form is deemed to be my consent letter for any filings under the Foreign Exchange Management Act, 1999 (FEMA) and the rules made thereunder.
13. **This clause is applicable for Non-Resident Shareholders only** - 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 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India/ I/We undertake to pay income taxes in India (whether by deduction of tax at source or otherwise) on any income arising on such Buyback and taxable in accordance with the prevailing income tax laws in India within 7<sup>th</sup> day of the succeeding month in which the shares are bought back by the Company. I/We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me/us.
14. Details of Equity Shares held and tendered/offered in the Buyback:

	In Figures(₹)	In Words
Number of Equity Shares held as on the Record Date <b>(Monday, April 22, 2024)</b>		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including additional shares, if any)		

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

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

**Acknowledgement Slip for Tips Industries Limited- Buyback Offer 2024**

(to be filled by the Eligible Shareholder) (subject to verification)

Folio No./ DP ID: \_\_\_\_\_ Client ID: \_\_\_\_\_

Received from Mr./Ms./M/s. \_\_\_\_\_

Number of Equity Shares offered for Buyback: In Figures: ₹ \_\_\_\_\_

In Words: \_\_\_\_\_

Please quote Client ID and DP ID. For all future correspondence

Stamp of Broker

15. 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. “Tips Industries Limited” and the price at which the Equity Shares are being transferred i.e. “Price determined in accordance with the SEBI Buyback Regulations” duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

a. Details of account with Depository Participant:

Name of the Depository (tick as applicable)	NSDL	CDSL
Name of the Depository Participant		
DP ID		
Client ID with Depository Participant		

b. Equity Shareholders Details:

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

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

### INSTRUCTIONS

- i. The Buyback will open on Friday, April 26, 2024 and close on Friday, May 03, 2024.
- ii. 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.
- iii. Eligible Shareholders who desire to tender their Equity Shares under the Buyback can do so in dematerialized form through their respective Stock Broker by indicating the details of Equity Shares they intend to tender under the Buyback. For Tendering the Equity Shares in the Buyback, the Tender Form is required to be submitted to the Stock Broker only and not to the Registrar or to the Company or to the Manager. For Further details, please see the procedure as specified in the section entitled “Procedure for Tender Offer and Settlement” of the Letter of Offer.
- iv. The Equity Shares tendered in the Offer shall be rejected if (i) the Equity Shareholder 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; (iii) if there is a name mismatch in the demat account of the Eligible Shareholder and PAN;
- v. The Company will not accept any Equity Shares offered in the Buyback which are under any restraint order of a court for transfer/sale of such Equity Shares.
- vi. 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.
- vii. For the Clearing Corporation to make a payout of more than ₹50,00,00,000 (Rupees fifty crore only), a Legal Entity Identifier (LEI) number of the Eligible Shareholder will have to be provided. Accordingly, an Eligible Shareholder who is tendering shares of value more than ₹50,00,00,000 (Rupees fifty crore only) will have to provide such Eligible Shareholder’s LEI number with the relevant supporting documents such as the LEI registration certificate to the Registrar by email at [tips.buyback2024@linkintime.co.in](mailto:tips.buyback2024@linkintime.co.in) latest by 5 p.m. (IST) on the Buyback Closing Date.
- viii. The Buyback shall be rejected for Eligible Shareholder holding Equity Shares in dematerialised form in case of receipt of the completed Tender Form and other documents but non-receipt of Equity Shares in the special account of the Clearing Corporation; or a non-receipt of valid bid in the exchange bidding system.
- ix. Shareholders may submit their duly filled Tender Form to the Registrar to the Buyback only after placing the bid via the Stock Broker.
- x. Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback entitlement, but not exceeding their holding as on the Record Date.
- xi. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

- xii. The Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- xiii. In the event of non-receipt of the Letter of Offer by an Eligible Shareholder, the Eligible Shareholder holding Equity Shares may participate in the Buyback by providing their application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.
- xiv. **For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.**

*All capitalized terms shall have the meanings ascribed to it in the Letter of Offer*

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

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

**Investor Service Centre – TIPS INDUSTRIES LIMITED- BUYBACK OFFER 2024**

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083

Tel: +91 810 811 4949; Fax: +91 22 4918 6195

**Contact Person:** Ms. Shanti Gopalakrishnan **Email:** tips.buyback2024@linkintime.co.in;

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in); **SEBI Registration Number:** INR000004058;

**Corporate Identification Number:** U67190MH1999PTC118368

**TENDER FORM (FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

**Bid Number:**  
**Date:**

BUYBACK OPENS ON		Friday, April 26, 2024	
BUYBACK CLOSSES ON		Friday, May 03, 2024	
<b>For Registrar / Collection Centre use</b>			
Inward No.	Date	Stamp	
<i>Status (please tick appropriate box)</i>			
<input type="checkbox"/>	Individual	<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
<b>India Tax Residency Status: Please tick appropriate box</b>			
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India
<input type="checkbox"/>		<input type="checkbox"/>	Resident of _____ <i>(shareholder to fill in country of residence)</i>

To,  
The Board of Directors,  
**TIPS Industries Limited,**  
C/o. Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400 083  
Tel: +91 810 811 4949; Fax: +91 22 4918 6195

Dear Sirs,

**Sub: Letter of Offer dated April 24, 2024 in relation to the buyback of up to 5,95,000 (Five Lakhs Ninety-Five Thousand) Equity Shares of TIPS Industries Limited (the “Company”) at a price of ₹625 (Rupees Six Hundred Twenty Five only) per Equity Share (the “Buyback Price”) payable in cash (the “Buyback”)**

- I / We (having read and understood the Letter of Offer dated April 24, 2024 hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender / offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback Offer and that I / we am / are legally entitled to tender the Equity Shares for Buyback.
- I/We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I/ We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I/ We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
- I/We authorize the Company to return share certificate in case none of the equity shares are not accepted by the Company in the Buyback. I / We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I/We authorize the Company to issue a Letter of Confirmation (“LOC”) for the unaccepted Equity shares in case only a portion of the physical shares held by me/us is accepted in the Buyback.

10. Details of Equity Shares held and tendered / offered for Buyback

	In Figures(₹)	In Words
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Number of Equity Shares held as on Record Date <b>(Monday, April 22, 2024)</b>		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (including Additional Shares)		

Note: Eligible Shareholders also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. The acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of Paragraphs 19 and 20 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

Tear along this line

**Acknowledgement Slip for TIPS INDUSTRIES LIMITED- BUYBACK OFFER 2024**

*(to be filled by the Equity Shareholder) (subject to verification)*

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

11. Details of Share Certificate:

Sr. No.	Folio No.	Equity Share Certificate No.	Distinctive No(s)		No. of Equity Shares
			From	To	
1					
2					
3					
4					
<b>Total</b>					

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

12. Equity Shareholders Bank Details:

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

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

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

14. Equity Shareholders Details:

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

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

15. Applicable for all Non-resident shareholders - I/ We undertake to pay income taxes in India on any income arising on such buyback and taxable in accordance with the prevailing income tax laws in India within 7<sup>th</sup> day of the succeeding month in which the shares are bought back by the Company. I/ We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me/ us.

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:

- The Buyback will open on Friday, April 26, 2024 and close on Friday, May 03, 2024.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buyback should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before Friday, May 03, 2024 by 5.00 pm
  - The relevant Tender Form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
  - Original Equity Share certificates;
  - Self attested copy of the Permanent Account Number (PAN) Card;
  - Transfer deed (Form SH 4) duly signed (by all Eligible Shareholders in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares.
- In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to not later than the Buyback Closing Date i.e. Friday, May 03, 2024 by 5.00 pm.

5. 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.
6. 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.
7. For the Clearing Corporation to make a payout of more than ₹50,00,00,000 (Rupees fifty crore only), a Legal Entity Identifier (LEI) number of the Eligible Shareholder will have to be provided. Accordingly, an Eligible Shareholder who is tendering share of value more than ₹50,00,00,000 (Rupees fifty crore only) will have to provide such Eligible Shareholder's LEI number with the relevant supporting documents such as the LEI registration certificate to the Registrar on an email at [tips.buyback2024@linkintime.co.in](mailto:tips.buyback2024@linkintime.co.in) latest by 5 p.m. (IST) on the Buyback Closing Date.
8. Eligible Shareholders to whom the Buyback offer is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
9. The Company will not accept any Equity Shares offered in the Buyback which are under any restraint order of a court for transfer/sale of such Equity Shares.
10. All documents sent by the seller member/ custodian will be at their own risk and the seller member/ custodian is advised to adequately safeguard their interests in this regard. For the procedure to be followed by Equity Shareholders for tendering in the Buyback Offer, please refer to Paragraph 20 of the Letter of Offer.
11. All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other Company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar; and (v) in case the Transfer Form – SH4 is not witnessed.
12. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
13. 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 the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, as amended ("FEMA") and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
14. The Equity Shares tendered in the buyback shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company on the Record Date; (ii) if there is a name mismatch in the share certificate of the Shareholder; or (iii) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Friday, May 03, 2024 by 5:00 p.m.

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

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**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NO.:**

**Investor Service Centre – TIPS INDUSTRIES LIMITED- BUYBACK OFFER 2024**

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083

Tel: +91 810 811 4949; Fax: +91 22 4918 6195

**Contact Person:** Ms.Shanti Gopalakrishnan **Email:** [tips.buyback2024@linkintime.co.in](mailto:tips.buyback2024@linkintime.co.in);

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in); **SEBI Registration Number:** INR000004058;

**Corporate Identification Number:** U67190MH1999PTC118368

**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	9	2	1	2	0	M	H	1	9	9	6	P	L	C	0	9	9	3	5	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Name of the company (in full):	<b>TIPS INDUSTRIES LIMITED</b>
Name of the Stock Exchange where the company is listed, (if any):	<b>BSE Limited and National Stock Exchange of India Limited</b>

**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 Share	₹1/-	₹1/-	₹1/-

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

<b>Name(s) in Full and Pan No.</b>	<b>Signature(s)</b>
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** \_\_\_\_\_

**Transferee’s Particulars**

Name in full (1)	Father's/Mother's/Spouse Name (2)	Address & E-mail id (3)
TIPS INDUSTRIES LIMITED	N.A.	<b>Address:</b> 601, Durga Chambers, 6th Floor, Linking Road, Khar - West, Mumbai, Maharashtra, 400052 <b>Email:</b> info@tips.in
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
Business		

**Folio No. of Transferee**

\_\_\_\_\_

**Specimen Signature of Transferee(s)**

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

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

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

**Value of stamp affixed:** ₹ \_\_\_\_\_

**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 \_\_\_\_\_

**STAMPS**

<p><b>For Office Use Only</b></p> <p>Checked by _____</p> <p>Signature Talled by _____</p> <p>Entered in the Register of Transfer on _____</p> <p style="text-align: center;">vide Transfer no _____</p> <p>Approval Date _____</p> <p>Power of attorney / Probate / Death Certificate / Letter of Administration</p> <p>Registered on _____ at _____</p> <p>No _____</p>	
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