GREAVES
SINCE 1859

October 9, 2019

Stock Code: BSE - 501455
NSE - GREAVESCOT

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor
Plot No. C /1, G Block
Bandra – Kurla Complex
Bandra (E), Mumbai – 400 051

Dear Sir/Madam

Submission of the Letter of Offer pertaining to the proposed buyback of fully paid up equity shares of Rs. 2/- each ("Equity Shares") of Greaves Cotton Limited ("Company") pursuant to the provisions of the SEBI (Buy-Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations")

This is in regard to the captioned buyback and is further to our letters dated June 27, 2019 and July 4, 2019 whereby we had submitted the Public Announcement and the Draft Letter of Offer, respectively. Further, the Company by way of its letter dated October 3, 2019, intimated the Stock Exchanges of the receipt of comments on the Draft Letter of Offer from SEBI on October 3, 2019 and the schedule of activities in relation to the Buyback.

We are pleased to submit herewith a copy of the letter of offer dated October 4, 2019 ("Letter of Offer") and tender form. The Letter of Offer and tender form will also be available on the website of the Company at www.greavescotton.com.

All terms used but not defined herein shall have the meaning ascribed to such terms in the Letter of Offer.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Greaves Cotton Limited

Atindra Basu
Head - Legal, Internal Audit
& Company Secretary

Encl: a/a

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a registered Equity Shareholder of Greaves Cotton Limited (the "**Company**") as on the Record Date in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("**Buyback Regulations**"). If an Eligible Shareholder requires any clarifications about the action to be taken, the Eligible Shareholder should consult their respective stockbroker or investment consultant or the Manager to the Buyback Offer i.e. Ambit Capital Private Limited or the Registrar to the Buyback i.e. Karvy Fintech Private Limited. Please refer to paragraph 2 *(Definition of key terms)* on page no. 3 for the definitions of the capitalized terms used herein.

GREAVES SINCE 1859	**GREAVES COTTON LIMITED** **CIN:** L99999MH1922PLC000987 **Registered Office:** Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai - 400 070, India **Phone:** +91 (22) 62211700; **Fax**: +91 (22) 62217499; **E-mail**: investorservices@greavescotton.com; **Website**: www.greavescotton.com **Contact Person:** Mr. Atindra Basu, Company Secretary and Compliance Officer

CASH OFFER TO BUYBACK UPTO 1,30,00,000 (ONE CRORE THIRTY LAKH ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2 (RUPEES TWO ONLY) EACH, ("EQUITY SHARES"), REPRESENTING 5.32% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID-UP SHARE CAPITAL OF THE COMPANY AS AT MARCH 31, 2019, FROM THE SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE, I.E. FRIDAY, JULY 12, 2019 ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" ROUTE AT A PRICE OF ₹ 175/- (RUPEES ONE HUNDRED AND SEVENTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION AMOUNT NOT EXCEEDING ₹ 227.50 CRORE (RUPEES TWO HUNDRED AND TWENTY SEVEN CRORE FIFTY LAKHS ONLY) EXCLUDING ANY EXPENSES INCURRED OR TO BE INCURRED FOR THE BUYBACK LIKE FILING FEE PAYABLE TO SEBI, ADVISORS' FEES, PUBLIC ANNOUNCEMENT PUBLICATION EXPENSES, PRINTING AND DISPATCH EXPENSES, TRANSACTION COSTS VIZ. BROKERAGE, APPLICABLE TAXES SUCH AS SECURITIES TRANSACTION TAX, GST, STAMP DUTY, OTHER INCIDENTAL AND RELATED EXPENSES, ETC.

1) The Buyback is in accordance with Clause 21 of the Articles of Association of the Company and is subject to the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, and in compliance with the Buyback Regulations, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities and/or regulatory authorities including but not limited to Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Registrar of Companies, Reserve Bank of India, etc.
2) The Buyback Offer Size of up to ₹ 227.50 crore (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only) represents 24.69% and 24.84% of the aggregate of fully paid up Equity Share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2019, on a standalone and consolidated basis respectively, and is within the limit of 25% (for a Buyback as provided for under Section 68(2)(c) of the Act) of the aggregate of the Company's total paid-up equity share capital and free reserves as per the latest standalone audited financial statements of the Company as on March 31, 2019. The maximum number of Equity Shares proposed to be bought back represents 5.32% of the total number of Equity Shares in the paid-up equity share capital of the Company as at March 31, 2019.
3) The Letter of Offer will be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e. Friday, July 12, 2019.
4) The procedure for tender and settlement is set out in paragraph 20 on page no. 35 of this Letter of Offer. The form of acceptance cum acknowledgement ("**Tender Form**") is enclosed together with this Letter of Offer.
5) The payment of consideration is in cash to the Eligible Shareholders. For further details on mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.25 *(Method of Settlement)* on page no. 39 of this Letter of Offer.
6) A copy of the Public Announcement published on June 27, 2019, the Draft Letter of Offer and the Letter of Offer (along with the Tender Form) shall be available on the website of Securities and Exchange Board of India - www.sebi.gov.in and on the website of the Company - www.greavescotton.com.
7) Eligible Shareholders are advised to read this Letter of Offer and in particular, refer to paragraph 17 (*Details of Statutory Approvals*) and paragraph 21 (*Note on Taxation*) of this Letter of Offer before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: FRIDAY, OCTOBER 18, 2019
BUYBACK CLOSES ON: FRIDAY, NOVEMBER 1, 2019
LAST DATE/TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK: MONDAY, NOVEMBER 4, 2019 BY 5.00 p.m.

MANAGER TO THE BUYBACK	REGISTRAR TO THE BUYBACK
AMBIT Acumen at work	KARVY FINTECH
Ambit Capital Private Limited Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 **Tel:** +91 (22) 3043 3000; **Fax:** +91 (22) 3043 3100 **Contact Person**: Krishnakant Jaju **E-mail**: gcl.buyback2019@ambit.co **Website:** www.ambit.co **SEBI Registration Number:** INM000012379 **Validity Period:** Permanent	**Karvy Fintech Private Limited** (Formerly known as KCPL Advisory Services Private Ltd) Karvy Selenium Tower B Plot No 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 **Tel:** +91 (40) 6716 2222; **Fax:** +91 (40) 2343 1551 **Contact Person**: M Murali Krishna **E-mail**: GCL.buyback@karvy.com **Website:** https://www.karvyfintech.com **SEBI Registration Number:** INR000000221 **Validity Period:** Permanent

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1. SCHEDULE OF ACTIVITIES

Activity	Schedule of activities	
	Date	**Day**
Date of Board Meeting approving the proposal for the Buyback	May 2, 2019	Thursday
Date of declaration of results of postal ballot for special resolution by the Equity Shareholders of the Company, approving the Buyback	June 25, 2019	Tuesday
Date of Public Announcement of Buyback	June 26, 2019	Wednesday
Date of publication of the Public Announcement	June 27, 2019	Thursday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	July 12, 2019	Friday
Date of opening of Buyback	**October 18, 2019**	**Friday**
Date of closing of Buyback	**November 1, 2019**	**Friday**
Last date of receipt of completed Tender Forms and other specified documents by the Registrar	November 4, 2019	Monday
Last date of verification of Tender Forms by Registrar	November 11, 2019	Monday
Last date of intimation to the Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar	November 11, 2019	Monday
Last date of settlement of bids on the Stock Exchange	November 13, 2019	Wednesday
Last date of payment to Eligible Shareholders/ return of unaccepted demat shares by Stock Exchange to Eligible Shareholders	November 13, 2019	Wednesday
Last Date of Extinguishment of Shares bought back	November 20, 2019	Wednesday

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

2.1 This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Term	Description
Acquisition Window	The facility for acquisition of Equity Shares through the mechanism provided by the Stock Exchange in the form of a separate window in accordance with SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any amendments thereof.
Act or Companies Act	The Companies Act, 2013, as amended and rules framed thereunder
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Equity Shareholder, upto the extent of Equity Shares held by the Eligible Shareholder on the Record Date.

Articles or Articles of Association	Articles of Association of the Company, as amended from time to time
Board or Board of Directors	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof)
Board Meeting	Meeting of the Board of Directors of the Company held on May 2, 2019 to approve the proposal of Buyback
BSE	BSE Limited
Buyback Closing Date	Friday, November 1, 2019
Buyback Committee or Committee	Buyback committee comprising of Mr Nagesh Basavanhalli, Managing Director & CEO, Ms Neetu Kashiramka, Chief Financial Officer and Mr Atindra Basu, Head - Legal, Internal Audit and Company Secretary constituted and authorized for the purposes of the Buyback by a resolution passed by the Board at its meeting held on May 2, 2019.
Buyback Opening Date	Friday, October 18, 2019
Buyback Entitlement or Entitlement	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 such Eligible Shareholder, on the Record Date and the ratio / percentage of Buyback applicable in the category to which such Eligible Shareholder belongs
Buyback or Buyback Offer or Offer	Offer to buy back up to 1,30,00,000 (one crore thirty lakh only) fully paid-up equity shares of ₹ 2/- (Rupees Ten only) each of the Company at a price of ₹ 175/- (Rupees one Hundred and Seventy Five only) per Equity Share from the Equity Shareholders of the Company as on the Record Date, by way of Tender Offer in terms of the Buyback Regulations read with SEBI Circular, on a proportionate basis
Buyback Price or Offer Price	Price at which shares will be bought back from the Eligible Shareholders i.e. ₹ 175/- (Rupees One Hundred and Seventy Five only) per Equity Share, payable in cash
Buyback Period	The period between the date of declaration of results of postal ballot for special resolution i.e. June 25, 2019 and the date on which the payment of consideration to the Eligible Shareholders who have accepted the Buyback is made
Buyback Regulations	Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended from time to time
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation	Indian Clearing Corporation Limited / National Securities Clearing Corporation Limited
"Company" or "Our Company" or "we" or "us" or "our"	Greaves Cotton Limited
Company's Broker	Ambit Capital Private Limited
Compliance Officer	Mr. Atindra Basu
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	BSE Limited
DIN	Director Identification Number
Director(s)	Director(s) of the Company
DP	Depository Participant
Draft LOF or Draft Letter of Offer	The Draft Letter of Offer dated July 4, 2019 filed with SEBI through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III read along with Schedule IV of the

	Buyback Regulations.
Equity Share(s) or Share(s)	The Company's fully paid-up equity share(s) of face value of ₹ 2/- (Rupees Two only) each
Eligible Person(s) or Eligible Shareholder(s)	Person(s) eligible to participate in the Buyback Offer and would mean all equity shareholders/beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. Friday, July 12, 2019 and excludes Person(s) who do not have the capacity under applicable law to tender shares
Escrow Account	Escrow account titled "Greaves Cotton Limited Buyback – Escrow Account" opened with Kotak Mahindra Bank Limited in accordance with Buyback Regulations
Escrow Agent	Kotak Mahindra Bank Limited
Escrow Agreement	The escrow agreement dated July 4, 2019 entered into between the Company, the Escrow Agent, and the Manager to the Buyback
ESOP	Employee stock option plan
FEMA	The Foreign Exchange and Management Act, 1999, as amended from time to time, including the regulations, circulars, directions and notifications issued thereunder
FPI(s)	Foreign Portfolio Investor(s).
General Category	Eligible Shareholders other than the Small Shareholders
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
IT Act/ Income Tax Act	Income-tax Act, 1961, as amended
LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
LOF or Letter of Offer	The Letter of Offer dated October 4, 2019, containing disclosures in relation to the Buyback as specified in Schedule III read along with Schedule IV of the Buyback Regulations.
Manager to the Buyback or Manager to the Offer	Ambit Capital Private Limited
Maximum Buyback Size or Offer Size	Number of Equity Shares proposed to be bought back (i.e. up to 1,30,00,000 (One Crore Thirty Lakh) Equity Shares) multiplied by the Buyback Price i.e. ₹ 175/- (Rupees One Hundred and Seventy Five only) per Equity Share aggregating up to ₹ 227.50 Crore (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only). The Maximum Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc.
Memorandum of Association or MOA	Memorandum of Association of the Company, as amended from time to time
N.A.	Not applicable
Non-Resident Shareholders	Includes NRIs, Foreign Portfolio Investors (FPIs), Overseas Corporate Bodies (OCBs) and Foreign Nationals
NSE	National Stock Exchange of India Limited
Offer Period or Tendering Period	Period of ten working days from the Buyback Opening Date i.e. Friday, October 18, 2019 to Buyback Closing Date i.e. Friday, November 1, 2019 (both days inclusive)
PA or Public Announcement	The public announcement dated June 26, 2019, made in accordance with the Buyback Regulations, published on June 27, 2019 in all editions of Business Standard (English daily) and Business Standard (Hindi daily),

	and the Mumbai edition of Mumbai Lakshadeep (Marathi daily), each with wide circulation
PAN	Permanent Account Number
Promoters or Promoters and Promoter Group	Collectively, D B H International Private Limited, Karun Carpets Private Limited and Bharat Starch Products Private Limited
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer will be sent and who are eligible to participate in the Buyback Offer in accordance with the Buyback Regulations. The Record Date for this Buyback is Friday, July 12, 2019
Registrar to the Buyback or Registrar to the Offer or Registrar	Karvy Fintech Private Limited
Reserved Category	The Small Shareholders eligible to tender Shares in the Buyback
SEBI	The Securities and Exchange Board of India
SEBI Circular	The SEBI circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any amendments thereof
Shareholder Broker	A stock broker, who is a member of the BSE and/or NSE, of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	A Shareholder, who holds Equity Shares of market value of not more than ₹ 2,00,000/- (Rupees two lakh only), on the basis of closing price of the Equity Shares on the Stock Exchange registering the highest trading volume, as on Record Date i.e. Friday, July 12, 2019.
Share Capital Rules	Companies (Share Capital and Debentures) Rules, 2014, as amended
Shareholders or Equity Shareholders or Members	Holders of Equity Shares and includes beneficial owners thereof
STCG	Short-Term Capital Gains.
Stock Exchange Mechanism	The "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI Circular
Stock Exchanges	National Stock Exchange of India Limited and BSE Limited
Tender Form	Form of Acceptance–cum–Acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholder(s) to participate in the Buyback
Tender Offer	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
TRS	Transaction Registration Slip generated by the exchange bidding system
Working Day	Working day as defined in the Buyback Regulations

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 the Letter of Offer. The Manager to the Buyback, Ambit Capital Private Limited, has certified that the disclosures made in the Letter of Offer are generally adequate and are in conformity with the provisions of the Act and Buyback Regulations. This requirement is to facilitate Eligible 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 the 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, Ambit Capital Private Limited, has furnished to SEBI a due diligence certificate dated July 4, 2019 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 June 26, 2019 and the Draft Letter of Offer dated July 4, 2019. On the basis of such examination and the discussions with the Company, we hereby state that:*

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

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

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

Disclaimer for U.S. Persons:

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

Disclaimer for Persons in foreign countries other than U.S.:

3.7 This Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Important Notice to All Shareholders

3.8 This Letter of Offer has been prepared for the purposes of compliance with the Buyback Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. This Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members of the Company, as of the Record Date.

However, receipt of this Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Tender Offer, or where making this Tender Offer would require any action to be taken (including, but not restricted to, registration of this Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

Forward Looking Statements

3.9 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.

3.10 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 sectors 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 sectors in which the Company operates.

4. TEXT OF RESOLUTION PASSED AT THE BOARD MEETING

4.1 The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on May 2, 2019. The extracts of the Board resolution are as follows:

"**RESOLVED THAT** pursuant to the provisions of Sections 68, 69, 70, 110 and any other applicable provisions of the Companies Act, 2013, as amended ("**Act**") and the Companies (Share Capital and Debentures) Rules, 2014, ("**Share Capital Rules**"), the Companies (Management and Administration) Rules 2014 to the extent applicable, Clause 21 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 ("**Buyback Regulations**"), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") as amended, and including any amendments, statutory modifications or re-enactments for the time being in force, and such other statutory provisions for the time being in force, 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 Securities and Exchange Board of India ("**SEBI**"), the stock exchanges on which the Equity Shares of the Company are listed ("**Stock Exchanges**") and other authorities, institutions or bodies ("**Appropriate Authorities**") while granting such approvals, permissions and sanctions, and subject to the approval of the shareholders of the Company by way of special resolution through postal ballot including e-voting process, the Board of Directors of the Company (the "**Board**", which expression shall include any committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) hereby approves the buy back by the Company of up to 1,37,14,286 (One Crore Thirty Seven Lakh Fourteen Thousand Two Hundred and Eighty Six Only)fully paid-up equity shares of face value of Rs. 2 each ("**Equity Shares**"), representing 5.62% of the total number of Equity Shares in the paid-up share capital of the Company as at March 31, 2019, at a price of Rs. 175/- (Rupees One Hundred and Seventy Five Only) per Equity Share (the "**Buyback Price**") payable in cash for an aggregate consideration amount not exceeding Rs. 240 crore (Rupees Two Hundred and Forty Crore Only) ("**Buyback Size**") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, and other incidental and related expenses etc.) on a proportionate basis through the "**tender offer**" route as prescribed under the Buyback Regulations and 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 the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 including any amendments or statutory modifications or such other mechanism as may be applicable (the process being referred hereinafter as "**Buyback**"), from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the record date to be subsequently decided by the Board ("**Record Date**").

"**RESOLVED FURTHER THAT** the Buyback may be made out of the free reserves and / or the securities premium account of the Company or such other sources as may be permitted by the Buyback Regulations or the Act through the "Tender Offer" route, and as required by the Buyback Regulations and the Act, from all the equity shareholders / beneficial owners of the Equity Shares of the Company holding Equity Shares of the Company as on the Record Date ("**Eligible Shareholders**"), 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 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 Company shall earmark adequate sources of funds for the purpose of the Buyback and the amount required by the Company for the Buyback is intended to be met out of the Company's current balances of cash and cash equivalents and/ or internal accruals of the Company (and not from any borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

"**RESOLVED FURTHER THAT** in terms of Section 69 of the Act, the Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback, to the Capital Redemption Reserve account."

"RESOLVED FURTHER THAT 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) and qualified institutional buyers including foreign portfolio investors, shall be subject to such approvals, if any, required under the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and the rules and regulations framed thereunder, if any, from the concerned authorities including the Reserve Bank of India, and that such approvals shall be required to be taken by such non-resident shareholders themselves."

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

1. That immediately following the date of this board meeting held on May 2, 2019 ("**Board Meeting**") and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, there will be no grounds on which the Company could be found unable to pay its debts;

2. That as regards the Company's prospects for the year immediately following the date of the Board Meeting and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be; and

3. That in forming the aforementioned opinion, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016."

"**RESOLVED FURTHER THAT** the Company has complied and shall continue to comply with Section 70 of the Act, wherein:

1. The Company shall not directly or indirectly purchase its own shares:
   a. through any subsidiary company including its own subsidiary companies; or
   b. through any investment company or group of investment companies;

2. There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company;

3. The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Act.

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

1. All the Equity Shares of the Company are fully paid-up;

2. The Company shall not issue and allot any equity shares or other specified securities (including by way of bonus or convert any outstanding ESOPs/outstanding instruments into Equity Shares) from the date of resolution passed by the Shareholders approving 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;

3. As per the provisions of Section 68(8) of the Companies Act, the Company shall not make further issue of the same kind of shares including allotment of new shares under clause (a) of sub-section (1) of section 62 of the Companies Act or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

4. The Company shall not raise further capital for a period of one year 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, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;

5. 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;

6. The Company shall not buy back 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;

7. The Company shall not buy back its Equity Shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;

8. That the maximum number of Equity Shares proposed to be purchased under the Buyback (up to 1,37,14,286 equity shares) does not exceed 25% of the total number of Equity Shares in paid-up Equity Share capital of the Company as at March 31, 2019;

9. The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or public announcement of the Buyback is made;

10. The Company shall not make any offer of buy back 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;

11. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act;

12. As required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback;

13. The Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the Buyback Regulations and the Act within 7 (seven) days of 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;

14. The consideration for the Buyback shall be paid only by way of cash;

15. The Company shall not allow buy back of its shares unless the consequent reduction of its share capital is affected;

16. The Company shall not utilise any borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from banks and financial institutions for fulfilling its obligations under the Buyback;

17. the Company shall not buy-back its shares or other specified securities so as to delist its shares or other specified securities from the stock exchange as per Regulation 4(v) of Buyback Regulation;

18. The statements contained in all the relevant documents in relation to the Buyback shall be true, material and factual and shall not contain any mis-statements or misleading information.

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 including the Promoter(s) of the Company (as disclosed under the shareholding pattern filings made by the Company from time to time under LODR Regulations and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011, as amended ("**SEBI Takeover Regulations**") out of its free reserves and securities premium/ or such other sources as may be permitted by applicable 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 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 placed before the meeting be and is hereby approved, and Mr Nagesh Basavanhalli, Managing Director & CEO, and any other director be and are hereby authorized to finalise and sign the same, for and on behalf of the Board, and Mr. Atindra Basu, Head - Legal, Internal Audit & Company Secretary, be and is hereby authorised to file the same with the Registrar of Companies and SEBI in accordance with applicable law.

"**RESOLVED THAT** Mr. Atindra Basu, Head - Legal, Internal Audit & Company Secretary be and is hereby appointed as the Compliance Officer for the purpose of the proposed Buyback."

"**RESOLVED FURTHER THAT** no information or material that is likely to have a bearing on the decision of investors to participate in the Buyback has been or will be suppressed or withheld or incorporated in a 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 or withheld or amount to a mis-statement or misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Act and the Buyback Regulations."

"**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer or any obligation on the Company or the Board to Buyback any Equity Shares, or impair any power of the Company or the Board to terminate any process in relation to the Buyback, if so permissible by law."

"**RESOLVED FURTHER THAT** the Company do maintain a register of securities bought back wherein details of equity shares bought back, consideration paid for the equity shares bought back, date of cancellation of equity shares and date of 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 THAT** a Committee (hereinafter referred to as the "**Buyback Committee**") of the Board of Directors and officers of the Company comprising Mr Nagesh Basavanhalli, Managing Director & CEO, Ms

Neetu Kashiramka, Chief Financial Officer and Mr Atindra Basu, Head - Legal, Internal Audit and Company Secretary, be and is hereby constituted."

"**RESOLVED FURTHER THAT** without affecting the generality and in addition to the authorities given by the Board to the Company's directors / officers / authorized person(s) elsewhere in these resolutions, the Buyback Committee be and is hereby authorized, empowered and deemed to have been authorized and empowered to exercise all powers and discharge all functions which the Board is authorized, including, inter alia:

1. to finalize the terms of the Buyback like Buyback Size, number of shares to be bought back, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback and the timeframe for completion of Buyback;

2. to perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the implementation of the Buyback without any further approval of the Board;

3. to finalize and execute necessary certifications, confirmations, undertakings etc. that may be required to be provided on behalf of the Board in regard to the proposed Buyback;

4. to finalize, sign, execute and submit necessary documents, deeds, affidavits, undertakings, certifications, agreements, forms, returns, applications, letters, etc., seek approval(s) and to represent the Company with the SEBI, Stock Exchanges, Registrar of Companies, National Securities Depository Limited, Central Depository Services (India) Limited and any other regulatory authority in connection with the Buyback;

5. to appoint and finalize the terms of appointment of an agency for providing and supervising the electronic platform for e-voting and execute any agreement(s) in this regard;

6. to negotiate and finalize the terms of appointment of the merchant banker(s), legal counsel(s), registrar, escrow agent and any other intermediaries / agencies as may be required to be appointed in connection with the Buyback and execute any agreement(s) in this regard; and

7. to incur such other expenses as may be necessary with regard to the proposed Buyback including fees to be paid to SEBI / other regulatory authorities, registrar's fees, fees for demat escrow agent and other intermediaries, fee for any consultants / advisers that may be hired, publication expenses, postage expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc. and such other expenses that may be necessary or incidental in this regard."

8. to seek the approval of the shareholders of the Company through postal ballot including e-voting and to do all necessary actions related thereto, including approving postal ballot notice and appointment of a scrutinizer;

9. to prepare, finalise, consider, approve, signing and filing various documents including public announcement, draft letter of offer, letter of offer, certificate of extinguishment of Equity Shares, post offer public announcement and such other documents that may require approval of the Board;

10. to fix the record date in accordance with the Buyback Regulations for determining the entitlement of Shareholders to participate in the Buyback ("Record Date");

11. to approve the opening / closing and operation of escrow account(s), special account(s) and any other bank account(s) for the purpose of the Buyback and authorize officials to operate the said accounts;

12. arranging for bank guarantees as may be necessary for the Buyback in accordance with the applicable law;

13. earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;

14. to finalize the appointment of merchant banker(s), legal counsel(s), registrar, brokers, advertising agency, escrow bank, depository participant, printers, consultants, tax advisor, representatives, and any other intermediaries or agencies as may be required for the purpose of the Buyback and sign, execute, endorse, certify, affirm or let in evidence such letters including engagement letters, deeds, consents,

announcements, advertisements, certificates, offer documents, agreements and other documents as may be required from time to time;

15. to approve and authorize execution of any application(s), agreements, deeds, documents, declarations, writings, etc., (including any alterations or modifications thereof), as may be required from time to time, in connection with the Buyback and file or cause the filing of the same with such appropriate authorities as may be required, including applications for seeking approval from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations framed there under, if any;

16. to appoint, authorize, enter into agreement with and issue necessary instructions to the investors service center to redress the grievances of the investors;

17. to settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback or may be raised by SEBI, stock exchanges, Registrar of Companies and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback;

18. extinguishment of dematerialized shares and physical destruction of share certificates, if any 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;

19. to affix the Common Seal of the Company on relevant documents required to be executed for the Buyback in accordance with the articles of association of the Company;

20. obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;

21. to make public announcement / issue notice on completion of Buyback etc. in such newspapers as required under the Buyback Regulations;

22. dealing with stock exchanges (including the 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 and circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendments thereof;

23. to authorize the directors and/or the officers of the Company to give effect to the aforesaid resolution, to revoke and substitute such delegation / sub-delegation of authority from time to time in connection with any or all of the above matters, and to add any directors and/or the officers of the Company as members of the Buyback Committee; and

24. to open, operate and close one or more depository account (demat escrow account) / trading account / buyer broker account and to open, operate and close special trading window account with both the BSE Limited and the National Stock Exchange of India Limited and to decide the authorized signatories for depository account (demat escrow account) / trading account / buyer broker account / special trading window account.

25. to decide the 'designated stock exchange' for the Buyback.

26. to verify offers / acceptances received and make payment of consideration to those holders of securities whose offer has been accepted and return the remaining shares or other specified securities to the securities holders

27. to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board."

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

"**RESOLVED FURTHER THAT** subject to the relevant provisions of the Act, the Buyback Committee is permitted to pass any resolution by circulation and the resolution passed by circulation shall have the same effect and force as if the resolutions have been passed in the meeting of the Buyback Committee."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Buyback Committee be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it 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 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** all acts, deeds, matters and things done by the Buyback Committee for the purpose shall have the same effect as if done by the Board."

4.2 The Buyback Committee (pursuant to the authority granted by the Board of Directors to finalize the terms of the Buyback), took note of: (a) the "Statement of permissible capital payment" prepared by the Company, containing the computation of amount of permissible capital payment towards the Buyback of equity shares in accordance with section 68(2)(c) of the Act, based on the audited standalone and consolidated financial statements as at and for the year ended March 31, 2019, and (b) the report dated May 17, 2019 of the Statutory Auditors of the Company, Deloitte Haskins and Sells, LLP, on the permissible capital payment, and approved the Maximum Buyback Size at their meeting held on May 23, 2019. The extracts of the Buyback Committee resolution are as follows:

"**RESOLVED THAT** pursuant to the authority granted to the Buyback Committee (by the Board of Directors during the Board Meeting) to finalize the terms of the Buyback, the number of fully paid-up equity shares of face value of Rs. 2 each ("**Equity Shares**") to be bought back by the Company (subject to inter alia the approval of the shareholders), shall be up to 1,30,00,000 (One Crore Thirty Lakh Only) Equity Shares (which is within the limit prescribed by the Board of Directors at the Board Meeting), representing 5.32% of the total number of Equity Shares in the paid-up share capital of the Company as at March 31, 2019, at a price of Rs. 175/- (Rupees One Hundred and Seventy Five Only) per Equity Share ("**Buyback Price**") payable in cash for an aggregate consideration amount not exceeding Rs. 227.50 crore (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only) (which is within the limit prescribed by the Board of Directors at the Board Meeting) ("**Buyback Size**") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.), being 24.69% and 24.84% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2019, on a proportionate basis through a tender offer pursuant to the Companies Act, 2013 and the SEBI (Buy-back of Securities) Regulations, 2018 ("**Buyback**"), subject to necessary permissions, sanctions, approval of the members by means of a special resolution through a postal ballot and such other statutory approvals as may be required.

"RESOLVED FURTHER THAT the Committee hereby confirms that the revised Buyback Size, does not exceed 25% of the aggregate of the fully paid-up share capital and free reserves as per the latest audited standalone financial statements of the Company for the financial year ended March 31, 2019."

5. DETAILS OF PUBLIC ANNOUNCEMENT

The Company has made a Public Announcement dated June 26, 2019, in relation to the Buyback, which was published on June 27, 2019 in the following newspapers, in accordance with Regulation 7 of the Buyback Regulations, within 2 (two) working days from the date of declaration of results of the postal ballot for special resolution i.e. June 25, 2019:

Publication	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai

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

The Public Announcement is available on the SEBI website at www.sebi.gov.in and on the website of the Company at www.greavescotton.com and on the websites of the Stock Exchanges (i.e. www.bseindia.com and www.nseindia.com).

6. DETAILS OF THE BUYBACK

6.1 The Buyback has been authorized by the Board by way of the resolutions passed on May 2, 2019 and by the shareholders of the Company by way of a special resolution, passed through postal ballot (including e-voting) pursuant to the notice of postal ballot dated May 23, 2019 ("**Postal Ballot Notice**"), the results of which were announced on June 25, 2019. The details of the Buyback are provided below:

Name of the Company	Greaves Cotton Limited
Maximum number of Equity Shares proposed to be bought back	Up to 1,30,00,000 (One Crore Thirty Lakh Only) fully paid-up Equity Shares of face value of ₹ 2 each
Number of Equity Shares as a percentage of the existing paid-up Equity Share capital of the Company	Up to 5.32% of the total number of Equity Shares in the paid-up share capital of the Company as at March 31, 2019
Buyback Price	₹ 175/- (Rupees One Hundred and Seventy Five Only) per Equity Share
Applicable regulations of SEBI and provisions of the Companies Act, in accordance with which the Buy-back offer is made	The Buyback is being made under Sections 68, 69, 70, 110 and any other applicable provisions of the Companies Act and the rules made thereunder, and the applicable provisions of the Buyback Regulations
Methodology for the Buyback	The Buyback shall be undertaken on a proportionate basis from the Eligible Shareholders through the Tender Offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations, using the Stock Exchange Mechanism as specified in the SEBI Circular.
Maximum Buyback Size, i.e. the maximum amount to be expensed towards the Buyback and its percentage with respect to the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited financial statements	The aggregate consideration amount for the Buyback shall not exceed ₹ 227.50 crore (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only), being 24.69% and 24.84% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements, respectively, of the Company for the financial year ended March 31, 2019. This does not include any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.
Shareholding of the Promoters and its percentage with respect to the total paid-up Equity Share capital of the Company	Please refer to paragraph 9.4 of this Letter of Offer for details regarding the shareholding of the Promoters and Promoter Group in the Company.
Intention of the Promoters and the persons in control of the Company to participate in the Buyback	In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group have an option to participate in the Buyback. In this regard, the Promoters and Promoter Group entities have *vide* their letters dated May 23, 2019 expressed that they do not intend to participate in the Buyback.
Promoters' shareholding after the Buyback	Assuming the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their entitlement, the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may increase to 54.81% post Buyback from the current pre Buyback shareholding of 51.90%. The Promoters and Promoter Group of the Company is already in control over the Company and therefore change in voting rights, if any, of the Promoters and Promoter Group, due to Buyback, will not result in change in control.

6.2 Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Since the Company proposes to buy back up to 1,30,00,000 (One Crore Thirty Lakh Only) Equity Shares constituting approximately 5.32% of the total paid-up Equity Shares of the Company as at March 31, 2019, the same is within the aforesaid 25% limit.

6.3 The Company is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the stock exchanges.

6.4 Post the Buyback, the non-Promoters and Promoter Group/public shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the LODR Regulations.

6.5 If there are any non-compliances/ delayed compliances pertaining to the Buyback, SEBI may initiate appropriate action against the Company and/or the Manager to the Buyback, in terms of the provisions of the SEBI Act, 1992 and the regulations made thereunder.

7. AUTHORITY FOR THE BUYBACK

The Buyback is being undertaken by the Company in accordance with Clause 21 of the Articles, the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, the Rules thereunder and the Buyback Regulations. The Board at its meeting held on May 2, 2019, passed a resolution approving the Buyback of Equity Shares of the Company and sought approval of its Shareholders, by a special resolution, through Postal Ballot Notice dated May 23, 2019. The Shareholders of the Company have approved the Buyback by way of a special resolution, through the postal ballot, the results of which were announced on June 25, 2019. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under applicable laws.

8. NECESSITY FOR THE BUYBACK

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the shareholders holding equity shares of the Company. Buyback is a more efficient form of distributing surplus cash to the shareholders holding equity shares of the Company *inter alia* for the following reasons:

(i) The Buyback will help the Company to distribute surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding thereby enhancing the overall return for them;

(ii) The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve a reservation of up to 15% of the equity shares, which the Company proposes to buyback, for small shareholders or the actual number of Equity Shares entitled as per the shareholding of small shareholders on the Record Date. The Company believes that this reservation for small shareholders would benefit a significant number of the Company's public shareholders, who would get classified as "Small Shareholders";

(iii) The Buyback is generally expected to improve return on equity and improve earnings per share by reduction in the equity base of the Company, thereby leading to long term increase in shareholders' value;

(iv) The Buyback gives an option to the Eligible Shareholders to either (A) participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback, or (B) not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without additional investment; and

(v) The Buyback will help in achieving an optimal capital structure.

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

9.1 We believe that the Buyback is not likely to cause any impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is full acceptance of the Equity Shares tendered in the Buyback from Eligible Shareholders on a proportionate basis, the funds

deployed by the Company towards the Buyback would be ₹ 227.50 crore (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only) excluding transaction costs incurred or to be incurred for the Buyback. This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.

9.2 The Buyback is not expected to impact growth opportunities for the Company.

9.3 The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.

9.4 The aggregate shareholding of the Promoters and Promoter Group and persons in control of the Company as on the date of the Public Announcement is as follows:

Sl. No.	Name of Shareholder	No. of Equity Shares	% Shareholding
1	D B H International Private Limited	9,87,46,790	40.44
2	Karun Carpets Private Limited	1,42,09,060	5.82
3	Bharat Starch Products Private Limited	1,37,75,865	5.64
Total		**12,67,31,715**	**51.90**

9.5 In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group have an option to participate in the Buyback. In this regard, the Promoters and Promoter Group entities have vide their letters dated May 23, 2019 expressed that they do not intend to participate in the Buyback.

9.6 Aggregate shares purchased or sold by the Promoters and Promoter Group and persons who are in control of the Company during a period of six months preceding the date of the Board Meeting, i.e., May 2, 2019, and the date of the Postal Ballot Notice, i.e. May 23, 2019, and during the period of twelve months preceding the date of the Public Announcement i.e. June 26, 2019, are as follows:

Name	Aggregate Number of Equity Shares purchased/ sold	Nature of Transactions	Maximum Price Per Equity Share (₹)	Date of Maximum Price	Minimum Price Per Equity Share (₹)	Date of Minimum Price
D B H International Private Limited	2,77,128	Market Purchase	138.14	September 28, 2018	126.88	October 1, 2018
Karun Carpets Private Limited	19,00,861	Market Purchase	137.85	September 28, 2018	114.48	December 11, 2018
Bharat Starch Products Private Limited	Nil	N/a	N/a	N/a	N/a	N/a

9.7 No directors of the companies which form part of the Promoters/ entities forming part of the Promoter Group hold any Equity Shares as on the date of the Public Announcement, except the following:

S. No.	Name of Director	No. of Equity Shares	% Shareholding
1	Praveen Sachdev (D B H International Private Limited)	1,000	Negligible
2	Vijay Rai (Bharat Starch Products Private Limited)	20,150	Negligible

9.8 No directors of companies which are Promoters/ entities forming part of the Promoter Group have purchased or sold Equity Shares during a period of six months preceding the date of the Board Meeting, i.e., May 2, 2019, and the date of the Postal Ballot Notice, i.e. May 23, 2019, and during the period of twelve months preceding the date of the Public Announcement i.e. June 26, 2019.

9.9 The Buyback will not result in any benefit to Promoters and Promoter Group, except to the extent of the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback.

9.10 Assuming the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their entitlement, the aggregate shareholding and the voting rights of the Promoters and

Promoter Group of the Company, may increase to 54.81% post Buyback from the current pre Buyback shareholding of 51.90%, and the aggregate shareholding of the public shareholders in the Company may decrease to 45.19% post Buyback from the current pre Buyback shareholding of 48.10%.

9.11 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of the Promoters and Promoter Group of the Company would undergo a change. Please refer to paragraph 13.6 for further details.

9.12 The debt-equity ratio post Buyback on standalone as well as consolidated basis will be compliant with the permissible limit of 2:1 prescribed under Section 68(2)(d) of Companies Act and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement.

9.13 The Company shall not issue any Equity Shares or other specified securities (including by way of bonus) till the expiry of the Buyback period, i.e., date on which the payment of consideration to shareholders who have accepted the Buyback is made.

9.14 The Company shall not raise further capital for a period of 1 (one) year from the date of the expiry of the Buyback period, i.e., date on which the payment of consideration to shareholders who have accepted the Buyback is made, except in discharge of its subsisting obligations.

9.15 The Promoters and Promoter Group of the Company shall not deal in the Equity Shares of the Company in the Stock Exchanges or off-market, including any inter se transfer of shares amongst the Promoters and Promoter Group, during the period between the date of passing of the special resolution through postal ballot and the date of the closure of the Buyback in accordance with the Buyback Regulations.

9.16 Salient financial parameters consequent to the Buyback based on the last audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2019 are as under:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post Buyback*	Pre-Buyback	Post Buyback*
Net worth (₹ in crore)	969.16	741.66	969.12	741.62
Annualized Average Return on Net worth (%)	17.55%	19.89%	16.82%	19.06%
Basic Earnings Per Share (₹)	6.93	7.32	6.74	7.03
Book Value per Share (₹)	39.69	32.08	39.68	32.08
P/E as per the latest audited financial results	20.14	19.07	20.72	19.85
Total Debt/ Equity Ratio	-	-	-	-

**(Assuming full acceptance of Equity Shares in the Buyback Offer in the ratio of Buyback and the post buyback numbers are adjusted accordingly)*

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per Share (₹)	Profit After Tax/Weighted Average Number of Shares outstanding for the period
Diluted Earnings per Share (₹)	
Book value per Share (₹)	Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)/ Number of Shares at the end of the period
Debt-Equity Ratio	Total Debt/ Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)
Return on Average Net Worth	Profit After Tax attributable to equity holders of the Company / Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)
P/E as per the latest audited financial results	Closing market price of the Equity Shares on BSE at the end of the year (March 31, 2019) / Basic Earnings per Share for the period ended March 31, 2019 (Latest audited financial results as on March 31, 2019)

Notes:

1. Net worth = Equity Share Capital + Reserves & Surplus – Miscellaneous Expenditure to the extent not written off.
2. Net worth post buy back = Net worth pre buy back minus funds to be utilised for the buy back
3. Total Debt = Borrowings (Non-Current and Current) + Current Maturities of Long Term Debt.
4. Earnings per Share and Book Value per Share post buy back has been computed after reducing proposed equity shares to be bought back from weighted average number of shares outstanding during the year

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 ₹ 175/- per Equity Share.

10.2 The Buyback Price of ₹ 175/- (Rupees One Hundred and Seventy Five Only) per Equity Share has been arrived at after considering various factors (i) the trends in the volume weighted average prices and closing price of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, (ii) the net worth of the Company, and (iii) the impact on the earnings per Equity Share.

10.3 The Buyback Price represents:

(i) premium of 30.4% and 30.8% to the volume weighted average market price of the Equity Shares on the BSE and the NSE, respectively, during the 3 (three) months period preceding April 26, 2019, being the date of intimation to the Stock Exchanges regarding the date of the Board Meeting to consider the proposal of the Buyback **("Intimation Date");**

(ii) premium of 36.4% and 37.2% to the volume weighted average market price of the Equity Shares on the BSE and the NSE, respectively, during the 6 (six) months preceding the Intimation Date; and

(iii) premium of 24.9% and 24.7% over the closing price of the Equity Shares on the BSE and the NSE respectively, as on the Intimation Date**.**

10.4 The closing market price of the Equity Shares as on the Intimation Date was ₹ 140.10 and ₹ 140.30 on the BSE and the NSE respectively.

10.5 For details in relation to the trends in the market price of the Equity Shares, please see paragraph 16 (*Stock Market Data*) on page no. 28.

11. SOURCES OF FUNDS FOR THE BUYBACK

11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 1,30,00,000 Equity Shares at a price of ₹175 per Equity Share the maximum amount required for Buyback will not exceed ₹ 227.50 crore (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only) (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.).

11.2 The funds for the implementation of the proposed Buyback will be sourced out of free reserves and securities premium of the Company and any other source as may be permitted by the Buyback Regulations or the Act. Borrowed funds from banks and financial institutions, if any, will not be used for the Buyback. The funds for the implementation of the proposed Buyback will be funded from current balances of cash and cash equivalents, current investment and/or internal accruals of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback.

11.3 The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve account and details of such transfer shall be disclosed in its subsequent audited financial statements.

12. DETAILS OF ESCROW ACCOUNT AND AMOUNT DEPOSITED THEREIN

12.1 In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed Kotak Mahindra Bank Limited, a banking company incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949, and having its registered office at 27 BKC, C27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, as the Escrow Agent for the aforementioned Buyback. An Escrow Agreement has been executed amongst the Company, the Manager to the Buyback and the Escrow Agent on July 4, 2019.

12.2 In terms of the Escrow Agreement, the Company (a) shall open an escrow account in the name and style "Greaves Cotton Limited Buyback – Escrow Account"; and (b) undertakes to deposit an amount of at least ₹ 37,75,00,000 (Rupees Thirty Seven Crore Seventy Five Lakh only) in cash on or before the Buyback Opening Date, being an amount equivalent to the aggregate of 25% of ₹ 100 crores and 10% of the Maximum Buyback Size less ₹ 100 crores, by way of security for the fulfillment of its obligations under the Buyback, in compliance with the provisions of Regulation 9(xi) of the Buyback Regulations. The Manager to the Buyback shall be empowered to operate the Escrow Account in accordance with the Buyback Regulations.

12.3 The amount of cash to be deposited in the Escrow Account shall be in accordance with the Buyback Regulations.

12.4 The Company has adequate and firm financial resources to fulfill the obligations under the Buyback and the same has been certified by N K R & Co (Firm Registration No. 127820W), Chartered Accountants, having its office at A 18, Everest Building, Tardeo Road, Tardeo, Mumbai 400034 (Tel: 022-23515414 / 2784) (vide their certificate dated June 26, 2019).

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

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

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

Parameters	Pre-Buyback (in ₹ Crore)
Authorised Share Capital	
25,00,000 Redeemable Preference Shares of ₹ 100/- each	25.00
25,00,00,000 Equity Shares of ₹ 2/- each	50.00
Total	**75.00**
Issued, Subscribed and Fully Paid-Up Share Capital	
24,42,06,795 Equity Shares of ₹ 2/- each	48.84
Total	**48.84**

Note: *The Board, at its meeting held on September 25, 2019, approved the reclassification of the existing authorized share capital of the Company into INR 75,00,00,000/- (Indian Rupees seventy five crores) divided into 37,50,00,000 (thirty seven crore fifty lakhs) equity shares of INR 2/- each (Indian Rupees two only). This reclassification of the authorized capital of the Company is subject to shareholders' approval, which will be sought by the Company in accordance with the applicable law.*

13.2 Assuming full acceptance in the Buyback of 1,30,00,000 equity shares, the capital structure post Buyback would be as follows:

Parameters	Post-Buyback (in ₹ Crore)
Authorised Share Capital	
25,00,000 Redeemable Preference Shares of ₹ 100/- each	25.00
25,00,00,000 Equity Shares of ₹ 2/- each	50.00
Total	**75.00**
Issued, Subscribed and Fully Paid-Up Share Capital	
23,12,06,795 Equity Shares of ₹ 2/- each	46.24
Total	**46.24**

Note*: The Board, at its meeting held on September 25, 2019, approved the reclassification of the existing authorized share capital of the Company into INR 75,00,00,000/- (Indian Rupees seventy five crores) divided into 37,50,00,000 (thirty seven crore fifty lakhs) equity shares of INR 2/- each (Indian Rupees two only). This reclassification of the authorized capital of the Company is subject to shareholders' approval, which will be sought by the Company in accordance with the applicable law.*

13.3 As on the date of the Letter of Offer, there are no partly paid up equity shares and calls in arrears.

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

13.5 No buy-back has been undertaken by the Company in the last three years.

13.6 The shareholding pattern of the Company before the Buyback, i.e., as on the Record Date, and after the Buyback (assuming full acceptance of 1,30,00,000 equity shares in the Buyback), is as follows:

Particulars	Pre-Buyback		Post-Buyback	
	Number of Shares	% to existing share capital	No. of Shares post Buyback*	% holding post Buyback*
Promoters and Promoter Group	12,67,31,715	51.90	12,67,31,715	54.81
Foreign Investors (Including ADRs, Non-Resident Indians, FIIs, FPIs, Foreign Nationals, and Overseas Corporate Bodies)	3,87,45,843	15.87	10,44,75,080	45.19
Financial Institutions/ Banks/ NBFCs & Mutual Funds	3,81,38,939	15.62		
Others (Public, Bodies Corporate, Clearing Members, Trusts and HUF)	4,05,90,298	16.62		
Total	**24,42,06,795**	**100.00**	**23,12,06,795**	**100.00**

** Assuming full acceptance of 1,30,00,000 Equity Shares in the Buyback in the ratio of their entitlement. Due to rounding-off, the aforesaid numbers may be slightly different.*

13.7 There is no pending scheme of amalgamation or compromise or arrangement involving the Company pursuant to the provisions of the Act.

14. BRIEF INFORMATION OF THE COMPANY

14.1 The Company was incorporated as 'Greaves Cotton and Company Limited' on March 29, 1922 at Mumbai as a public limited company under the Companies Act, 1913. Subsequently, the name of the Company was changed to 'Greaves Limited' on August 19, 1993 and to 'Greaves Cotton Limited' on November 25, 2003. The Company currently has its registered office at Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai - 400 070.

14.2 The equity shares of the Company were listed at BSE Limited (Code: 501455) on May 13, 1958 and National Stock Exchange of India Limited (Code: GREAVESCOT) on September 09, 2004.

14.3 The paid-up equity share capital of the Company as per standalone financials for the year ended March 31, 2019 was ₹ 48.84 crore and total free reserves for the year ended March 31, 2019 was ₹ 872.66 crore.

14.4 The Company is engaged in manufacturing of engines, engine applications and trading of power tillers, spares related to engines and infrastructure equipment etc. The Company has 6 (six) manufacturing facilities in the states of Maharashtra and Tamil Nadu out of which 3 (three) are situated in Aurangabad, 2 (two) in Pune, Maharashtra and the 1 (one) in Ranipet, Tamil Nadu. The products are mainly sold in India with some export to Middle East, Africa & South East Asia Region. Further, the Board at its meeting held on August 29, 2018, approved the proposal of investment in Ampere Vehicles Private Limited ("**Ampere**"). Ampere is engaged in last mile mobility electric segment. It has in house capabilities in designing, developing, manufacturing and marketing of electric vehicles with a wide range of applications.

14.5 For the financial years ended March 31, 2017, 2018 and 2019 the Company recorded, on a standalone basis, revenue from operations of ₹ 1,819.09 crore, ₹ 1,839.70 crore and ₹ 1,987.82 crore, respectively. The net profit after tax for the financial years ended March 31, 2017, 2018 and 2019 was ₹180.63 crore, ₹ 202.62 crore and ₹ 169.30 crore, respectively.

14.6 For the financial years ended March 31, 2017, 2018 and 2019 the Company recorded, on a consolidated basis, revenue from operations of ₹ 1,819.27 crore, ₹ 1,839.70 crore and ₹ 2,015.32 crore, respectively. The net profit after tax for the financial years ended March 31, 2017, 2018 and 2019 was ₹ 180.66 crore, ₹ 202.19 crore and ₹ 162.63 crore, respectively.

14.7 **Following is the equity share capital history of the Company since inception:**

Date of allotment/ resolution/ change	Number of Equity Shares	Face Value (₹)	Issue price per Equity Share (₹)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)
Upto Mach 31, 1965	-	-	-	-	Subscription to Memorandum of Association/ further allotments [(1)]	1,35,000	1,35,00,000
January 17, 1967	54,000	100	-	Bonus	Bonus issue in the ratio of 2:5	1,89,000	1,89,00,000
February 21, 1973	94,500	100	-	Bonus	Bonus issue in the ratio of 1:2	2,83,500	2,83,50,000
May 28, 1977	1,41,750	100	-	Bonus	Bonus issue in the ratio of 1:2	4,25,250	4,25,25,000
March 23, 1984	2,12,625	100	-	Bonus	Bonus issue in the ratio of 1:2	6,37,875	6,37,87,500
June 24, 1986	19,250	100	-	Other than cash	Allotment upon amalgamation of Lombardini Limited with the Company	6,57,125	6,57,12,500
December 15, 1988[(2)]	3,28,562	100	-	Bonus	Bonus issue in the ratio of 1:2	9,85,687	9,85,68,700
May 24, 1990[(3)]	-	-	-	-	Sub-division of equity shares of face value of ₹ 100 (Rupees One Hundred only) each to ₹ 10 (Rupees Ten only)	98,56,870	9,85,68,700
March 9, 1992	50	10	-	Other than cash	Allotment upon amalgamation of Chitram Limited with the Company	98,56,920	9,85,69,200
June 12, 1992	38,58,029	10	40	Cash	Allotted upon conversion of debentures	1,37,14,949	13,71,49,490
February 13, 1993	1,37,40,949	10	80	Cash	Rights Issue in ratio of 1:1	2,74,55,898	27,45,58,980
March 16, 1993	28,552	10	-	Other than cash	Allotment upon amalgamation of Greaves Semi Conductors Limited with the Company	2,74,84,450	27,48,44,500
July 22, 1993	13,18,173	10	-	Other than cash	Allotment upon amalgamation of David Brown Greaves Limited with the Company	2,88,02,623	28,80,26,230
July 22, 1993	6,73,730	10	-	Other than	Allotment upon	2,94,76,353	29,47,63,530

				cash	amalgamation of Ruston & Hornsby Limited with the Company		
July 27, 1995[4]	1,47,38,176	10	-	Bonus	Bonus issue in the ratio of 1:2	4,42,14,529	44,21,45,290
August 30, 1999[5]	4,26,830	10	-	Other than cash	Allotment upon amalgamation of Rajasthan Polymers & Resigns Limited with the Company	4,46,41,359	44,64,13,590
April 25, 2003	(10,137)	10	-	-	Forfeited due to non-payment of allotment / call money by the shareholders for shares allotted to them under the rights issue of 1993	4,46,31,222	44,63,12,220
November 17, 2004	10,00,000	10	76	Cash	Allotted to Promoters	4,56,31,222	45,63,12,220
November 05, 2005	16,00,000	10	76	Cash	Allotment to Promoters upon conversion of Equity Warrants Series A	4,72,31,222	47,23,12,220
May 16, 2006	16,00,000	10	76	Cash	Allotted to Promoters upon conversion of Equity Warrants Series B	4,88,31,222	48,83,12,220
June 29, 2007	10,137	10	336	Cash	Forfeited shares were allotted to key employees of the Company	4,88,41,359	48,84,13,590
November 25, 2010	-	-	-	-	Sub-division of equity shares of face value of ₹ 10 (Rupees Ten only) each to ₹ 2 (Rupees Two only)	24,42,06,795	48,84,13,590

Notes:

(1) The relevant documents for allotments made by the Company since the date of incorporation of the Company upto March 31, 1965 are not available.
(2) Date of annual general meeting where the shareholders of the Company approved the bonus issue.
(3) Date of extraordinary general meeting where the shareholders of the Company approved the sub-division.
(4) Date of annual general meeting where the shareholders of the Company approved the bonus issue.
(5) Date on which the Equity Shares issued upon amalgamation of Rajasthan Polymers and Resigns Limited were listed on BSE.

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

Sr No	Name, Occupation, Age and DIN	Designation	Qualifications	Date of Appointment/ Re-appointment	Other Directorships
1.	Karan Thapar Occupation: Business Age: 62 years DIN: 00004264	Chairman	CA	September 29, 1991	• EICL Limited • Premium Transmission Private Limited • Bharat Starch Products Private Limited

Sr No	Name, Occupation, Age and DIN	Designation	Qualifications	Date of Appointment/ Re-appointment	Other Directorships
					• D B H International Private Limited • Karun Carpets Private Limited • DBH Consulting Limited • DBH Stephan Limited • DBH Melior Limited
2.	Nagesh Basavanhalli Occupation: Business Executive Age: 53 years DIN: 01886313	Managing Director & CEO	B.E. (Mechanical) - M.S., University of Texas, MBA - University of Chicago Booth School of Business	September 27, 2016	• Greaves Leasing Finance Limited • Dee Greaves Limited • Premium Transmission Private Limited • Ampere Vehicles Private Limited • Breach Candy Hospital Trust
3.	Vijay Dilbagh Rai Occupation: Professional Age: 72 years DIN: 00075837	Non-Executive, Non-Independent Director	B. Tech. (Mechanical), IIT – Kharagpur	March 21, 2002[(1)]	• Akola Chemicals (India) Limited • EICL Limited • Punjab Chemicals and Crop Protection Limited • Greaves Leasing Finance Limited • Bombay Gymkhana Limited • Saurav Chemicals Limited • Pimex India Private Limited • D B H International Private Limited • Good Relations (India) Private Limited • Bharat Starch Products Private Limited
4.	Kewal Handa Occupation: Professional Age: 66 years DIN: 00056826	Independent Director	M.Com, ACMA, ACS, Pfizer Leadership - Harvard USA, Marketing Programme - Colombia, USA, Sr. Management Residential - IIM, Ahmedabad	May 06, 2016	• Clariant Chemicals (India) Limited • Mukta Arts Limited • R M Drip and Sprinklers Systems Limited • Borosil Glass Works Limited • Union Bank of India • Salus Lifecare Private Limited • Conexus Social Responsibility Services Private Limited • Omsav Pharma Research Private Limited • Oaknet Heathcare Private Limited • Constellation Alpha Capital Corp.
5.	Vinay Sanghi Occupation: Professional Age: 50 years DIN: 00309085	Independent Director	Bachelor's degree from Sydenham College of Commerce and Economics, Mumbai	August 04, 2017	• Suraj Sanghi Finance Limited • Mohan Three Wheelers Private Limited • Project Automobiles (Bombay) Private Limited • MXC Solutions India Private Limited • Vinay Leasing and Finance Private Limited • Sah & Sanghi Auto Agencies Private Limited • Automotive Exchange Private Limited

Sr No	Name, Occupation, Age and DIN	Designation	Qualifications	Date of Appointment/ Re-appointment	Other Directorships
					• Shriram Automall India Limited • Cartrade Finance Private Limited • GIC Corporate Leaders Foundation
6.	Arvind Kumar Singhal Occupation: Professional Age: 60 years DIN: 00709084	Independent Director	B. E. (Electronics & Communication), IIT - Roorkee, MBA - UCLA	November 01, 2013(2)	• Welspun India Limited • Metro Brands Limited • Blue Star Limited • Technopak Advisors Private Limited • Avensa Chemical Solutions Private Limited • Caleffi Bed and Bath (India) Private Limited • Amrylis Farmworks Private Limited • Stylenama Retail Private Limited • Premium Transmission Private Limited • Technopak Skills Foundation
7.	Vikram Tandon Occupation: Professional Age: 70 years DIN: 01727251	Independent Director	B. Tech (Hons.), IIT – Delhi	August 07, 2007(2)	• ESAB India Limited
8.	Navneet Singh Occupation: Professional Age: 68 years DIN: 01896854	Independent Director	CA (England & Wales), CA (ICAI)	August 01, 2013(1)	• NIL
9.	Sree Kirat Patel Occupation: Professional Age: 61 years DIN: 03554790	Independent Director	Bachelor of Commerce, H. R. College of Economics, Bombay University, Bachelor of Law, Government Law College, Bombay University	February 14, 2017	• Mondelez India Foods Private Limited

Notes:

(1) Vijay Dilbagh Rai and Navneet Singh have retired with effect from August 8, 2019.

(2) The shareholders, at the 100th annual general meeting held on August 8, 2019, have approved the:

a. reappointment of Arvind Kumar Singhal as an independent director for a second term of 5 (five) years from April 1, 2019 to March 31, 2024; and

b. reappointment of Vikram Tandon as an independent director for a second term of 5 (five) years from November 18, 2018 to November 17, 2023.

14.9 The details of changes in Board of Directors during the last 3 years from the date of the Public Announcement are as under:

S. No.	Name	Date of Appointment	Date of Cessation	Reason
1.	Mr. Sunil Pahilajani	-	September 16, 2016	Resigned
2.	Mr. Nagesh Basavanhalli	September 27, 2016	-	Appointed as Managing Director & CEO
3.	Ms. Monica Chopra	-	December 26, 2016	Resigned

S. No.	Name	Date of Appointment	Date of Cessation	Reason
4.	Ms. Sree Patel	February 14, 2017	-	Appointed as independent director
5.	Mr. Vijay Dilbagh Rai	-	October 12, 2017	Completion of second term as independent director
6.	Mr. Vijay Dilbagh Rai	October 13, 2017	-*	Appointed as an additional director, and as a non-executive, non-independent director from August 13, 2018, at the Annual General Meeting for financial year 2017-18
7.	Mr. Vinay Sanghi	August 4, 2017	-	Appointed as independent director

***Notes**:*

1. **Mr. Vijay Dilbagh Raihas retired with effect from August 8, 2019.*
2. *Further, Mr. Navneet Singh, one of the Board of Directors as on the date of the Public Announcement has also retired with effect from August 8, 2019.*

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The brief audited financial information of the Company as extracted from the audited standalone results for the last three financial years are provided below:

(*Amount in ₹ crores)*

Particulars	Audited		
	For the year ended on March 31, 2019	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Revenue from operations	1,987.82	1,839.70	1,819.09
Other income	41.63	45.29	46.69
Total Income	2,029.45	1,884.99	1,865.78
Total Expenses (excluding Finance cost, Depreciation & Amortisation and Tax)	1,713.09	1,584.41	1,575.66
Less Depreciation& Amortisation	48.33	52.35	46.66
Less Finance Cost	3.33	0.81	0.81
Profit before exceptional items & taxes	264.20	247.42	242.65
Add Exceptional items	(17.87)	48.17	5.98
Profit Before Tax	246.33	295.59	248.63
Provision for tax (including deferred tax)	77.03	92.97	68.00
Profit from continuing operations after tax	169.30	202.62	184.11
Loss from discontinued operations	-	-	(3.50)
Tax on discontinued operations	-	-	0.02
Profit After Tax	169.30	202.62	180.63
Paid-up Equity Share Capital	48.84	48.84	48.84
Other Equity	920.32	911.56	872.13
Net worth	969.16	960.40	920.97
Debt	-	-	-
Total debt	-	-	-

(*Amount in ₹, except certain ratios)*

Key Ratios	For the year ended on March 31, 2019 (Audited)	For the year ended on March 31, 2018 (Audited)	For the year ended on March 31, 2017 (Audited)
Basic Earnings per Share	6.93	8.30	7.40
Diluted Earnings per Share	6.93	8.30	7.40

Key Ratios	For the year ended on March 31, 2019 (Audited)	For the year ended on March 31, 2018 (Audited)	For the year ended on March 31, 2017 (Audited)
Book value per Share	39.69	39.33	37.71
Debt / Equity Ratio	-	-	-
Return on Average Net Worth (%)	17.55%	21.54%	19.98%
Total Debt / Net Worth	-	-	-

15.2 The brief audited financial information of the Company as extracted from the audited consolidated results for the last three financial years are provided below:

(*Amount in ₹ crores)*

Particulars	Audited		
	For the year ended on March 31, 2019	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Revenue from operations	2,015.32	1839.70	1819.27
Other income	41.80	45.61	46.99
Total Income	2057.12	1885.31	1866.26
Total Expenses (excluding Finance cost, Depreciation & Amortisation and Tax)	1743.12	1584.36	1575.88
Less: Depreciation & Amortisation	52.17	52.44	46.89
Less: Finance Cost	4.04	0.81	0.81
Profit before exceptional items & taxes	257.79	247.70	242.68
Exceptional items	(17.87)	47.46	5.98
Profit Before Tax	239.92	295.16	248.66
Provision for tax (including deferred tax)	77.29	92.97	68.00
Profit from continuing operations after tax	162.63	202.19	84.14
Loss from discontinued operations	-	-	(3.50)
Tax on discontinued operations	-	-	0.02
Profit After Tax	162.63	202.19	180.66
Profit/(Loss) attributable to equity holders of the Company	164.71	202.19	180.66
Profit/(Loss) attributable to Non-controlling interest	(2.08)	-	-
Paid-up Equity Share Capital	48.84	48.84	48.84
Other Equity	920.28	916.11	876.45
Net worth	969.12	964.95	925.29
Debt	-	-	-
Total debt	-	-	-

(*Amount in ₹, except certain ratios)*

Key Ratios	For the year ended on March 31, 2019 (Audited)	For the year ended on March 31, 2018 (Audited)	For the year ended on March 31, 2017 (Audited)
Basic Earnings per Share	6.74	8.28	7.40
Diluted Earnings per Share	6.74	8.28	7.40
Book value per Share	39.68	39.51	37.89
Debt / Equity Ratio	-	-	-
Return on Average Net Worth (%)	16.82%	21.39%	19.89%
Total Debt / Net Worth	-	-	-

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per Share (₹)	Profit After Tax/Weighted Average Number of Shares outstanding for the period
Diluted Earnings per Share (₹)	
Book value per Share (₹)	Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)/ Number of Shares at the end of the period
Debt-Equity Ratio	Total Debt/ Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)
Return on Average Net Worth	Profit After Tax attributable to equity holders of the Company / Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)
Total Debt / Net Worth	Total Debt/ Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent written off, if any)

The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, wherever and if applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 and other applicable provisions of the Companies Act, 2013.

16. STOCK MARKET DATA

16.1 The Equity Shares of the Company are currently listed on BSE and NSE.

16.2 The high, low and average market prices in the preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of the Public Announcement and the corresponding volumes, on NSE (stock exchange where the Company's Equity Shares are most frequently traded) are as follows:

Period	High[(1)] (₹)	Date of High[(2)]	Number of Equity Shares traded on that date	Low[(1)] (₹)	Date of Low[(2)]	Number of Equity Shares traded on that date	Average Price[(1)] (₹)	Number of Equity Shares traded in the period
Preceding 3 Years								
Financial Year 2016-17	177	March 30, 2017	690437	115.35	December 26, 2016	50447	136.92	75,072,476
Financial Year 2017-18	178.55	May 4, 2017	699855	112.35	December 18, 2017	486184	142.45	139,058,731
Financial Year 2018-19	165.00	September 4, 2018	2830097	111.05	October 24, 2018	816503	131.14	138,182,678
Preceding 6 Months								
December 1 to 31, 2018	128.75	December 20, 2018	1,063,545	112.40	December 11, 2018	166,616	121.44	6,697,497
January 1 to 31, 2019	126.00	January 17, 2019	242,603	114.60	January 28, 2019	271,947	120.19	5,650,239
February 1 to 28, 2019	126.35	February 28, 2019	494,628	116.30	February 18, 2019	146,308	120.03	5,568,608
March 1 to 31, 2019	147.90	March 15, 2019	1,563,237	127.30	March 1, 2019	676,367	136.49	7,820,135
April 1 to 30, 2019	154.40	April 10, 2019	593,890	138.15	April 1, 2019	464,503	145.24	5,708,026
May 1 to 31, 2019	152.85	May 2, 2019	1,360,089	134.00	May 16, 2019	83,737	142.65	6,119,396

Source: www.nseindia.com

Notes:
(1) High and Low price for the period are based on intra-day prices and Average Price is based on average of closing price.
(2) In case where the same price falls on two or more days, the day with the highest traded shares is considered.

16.3 The high, low and average market prices in the preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of the Public Announcement and the corresponding volumes, on BSE are as follows:

Period	High[(1)] (₹)	Date of High[(2)]	Number of Equity Shares traded on that date	Low[(1)] (₹)	Date of Low[(2)]	Number of Equity Shares traded on that date	Average Price[(1)] (₹)	Number of Equity Shares traded in the period
Preceding 3 Years								
Financial Year 2016-17	176.90	March 30, 2017	105,377	115.20	December 26, 2016	31,330	136.84	14,633,748
Financial Year 2017-18	178.00	May 4, 2017	186,854	112.45	March 23, 2018	102,448	142.50	22,416,102
Financial Year 2018-19	165.00	September 4, 2018	345,441	111.10	October 24, 2018	73,157	131.04	22,450,096
Preceding 6 Months								
December 1 to 31, 2018	129.10	December 20, 2018	307,720	113.50	December 10, 2018	43,351	121.47	1,280,069
January 1 to 31, 2019	128.00	January 31, 2019	46,166	115.00	January 28, 2019	38,139	120.15	632,228
February 1 to 28, 2019	126.30	February 28, 2019	61,048	116.05	February 26, 2019	14,883	119.91	442,567
March 1 to 31, 2019	147.50	March 15, 2019	162,688	127.00	March 1, 2019	41,250	136.27	894,929
April 1 to 30, 2019	153.85	April 10, 2019	79,500	138.00	April 1, 2019	60,967	144.94	677,288
May 1 to 31, 2019	153.00	May 2, 2019	115,505	134.00	May 16, 2019	10,611	142.57	672,838

Source: www.bseindia.com

Notes:
(1) High and Low price for the period are based on intra-day prices and Average Price is based on average of closing price.
(2) In case where the same price falls on two or more days, the day with the highest traded shares is considered.

16.4 The notice of the Board Meeting convened to consider the proposal of the Buyback was given to the BSE and NSE on April 26, 2019. The Board, at its meeting held on May 2, 2019, approved the proposal for the Buyback at ₹ 175/- (Rupees One Hundred and Seventy Five only) per share and the intimation was sent to BSE and NSE on the same day. The closing market prices of the Equity Shares on NSE and BSE, during this period, are summarized below:

Event	Date	BSE (₹)	NSE (₹)
Notice of the Board Meeting convened to consider the proposal of the Buyback	April 26, 2019	140.10	140.30
1 Trading Day post notice of the Board Meeting	April 30, 2019	146.65	147.50
1 Trading Day prior to the Board Meeting	30 April, 2019	146.65	147.50

Event	Date	BSE (₹)	NSE (₹)
Date of the Board Meeting	May 2, 2019	148.40	149.25
1 Trading Day post the Board Meeting	May 3, 2019	147.70	147.80

17. DETAILS OF STATUTORY APPROVALS

17.1 The Board at its meeting held on May 2, 2019 approved the proposal for the Buyback. The Equity Shareholders approved the Buyback by way of a special resolution through postal ballot, the results of which were announced on June 25, 2019.

17.2 The Buyback offer is subject to approvals, if any required, under the provisions of the Act, the Buyback Regulations, and applicable rules and regulations as specified by RBI under FEMA and/or such other acts in force for the time being.

17.3 The Buyback of Shares from Non-Resident Shareholders, Overseas Corporate Bodies (OCBs) and Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc., will be subject to approvals, if any, of the appropriate authorities, including RBI under FEMA, as applicable. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to tender equity shares in the buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted. Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA Regulations, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI.

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

17.5 By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

17.6 As of date, there is no other statutory or regulatory approval required to implement the Buyback, 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.

18. DETAILS OF THE REGISTRAR TO THE BUYBACK AND INVESTOR SERVICE CENTRE

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

KARVY FINTECH

Karvy Fintech Private Limited
Address: Karvy Selenium Tower B Plot No 31 & 32,
Financial District Nanakramguda, Serilingampally Mandal,
Hyderabad - 500032
Contact Person: M Murali Krishna
Tel: +91 (40) 6716 2222
Fax: +91 (40) 2343 1551
E-mail: gcl.buyback@karvy.com
Website: https://www.karvyfintech.com
SEBI Registration Number: INR000000221

In case of any query, the Shareholders may contact the Registrar to the Buyback, from Monday to Friday between 10:00 a.m. to 5:00 p.m. on all working days except public holidays at the above-mentioned address.

Eligible Shareholders are required to submit their form(s) with their broker for bidding. After entering a valid bid, the Shareholder Broker /Eligible Shareholder, shall send the Tender Form, along with the requisite documents, either by registered post / courier, to the Registrar to the Buyback, super scribing the envelope as "Greaves Cotton Limited Buyback Offer 2019", or hand deliver the same to the Registrar at the address mentioned above in paragraph 18. Eligible Shareholders holding Equity Shares in the dematerialized form are requested to refer to paragraph 20.21.

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.

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

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

19.1 The Buy-back shall be available to all Eligible Shareholders holding Equity Shares in the dematerialized form as on the Record Date. The Buy-back shall be undertaken on a proportionate basis through the tender offer process prescribed under Regulation 4(iv)(a) of the Buy-Back Regulations. Additionally, the Buy-back shall, subject to applicable laws, be facilitated by tendering of Equity Shares by the Shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.

19.2 The Company proposes to Buyback upto 1,30,00,000 (One Crore Thirty Lakh Only) Equity Shares from the existing Eligible Shareholders of Equity Shares of the Company, on a proportionate basis, through the Tender Offer route at a price of ₹ 175/- (Rupees One Hundred and Seventy Five only) per Equity Share, payable in cash for an aggregate amount not exceeding ₹ 227.50 (Rupees Two Hundred and Twenty Seven Crore Fifty Lakhs Only), excluding any expenses incurred or to be incurred for the buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. Brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc., which represents 24.84% of the aggregate of the fully paid-up equity share capital and free reserves as per the last standalone audited financial statements of the Company as on March 31, 2019 and is therefore within the limit of 25% of the Company's total paid-up equity share capital and free reserves as per the last standalone audited accounts as on March 31, 2019. The Equity Shareholders approved the Buyback by way of a special resolution through postal ballot, the results of which were announced on June 25, 2019. The Buyback is in accordance with Clause 21 of the Articles of Association of the Company and subject to the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act and in compliance with Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc.

19.3 **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.**

19.4 The aggregate shareholding of the Promoters and Promoter Group as on the date of the public announcement is 12,67,31,715 Equity Shares, which represents 51.90% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group have an option to participate in the Buyback. In this regard, the Promoters and Promoter Group entities have *vide* their letters dated May 23, 2019 expressed that they do not intend to participate in the Buyback.

19.5 Assuming the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their entitlement, the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may increase to 54.81% post Buyback from the current pre Buyback shareholding of 51.90%, and the aggregate shareholding of the public shareholders in the Company may decrease to 45.19% post Buyback from the current pre Buyback shareholding of 48.10%.

19.6 **Record Date, Ratio of Buyback as per the Buyback Entitlement of each category**

19.6.1 The Buyback Committee on June 26, 2019 has fixed Friday, July 12, 2019 as the Record Date for the purpose of determining the entitlement and the names of the Equity Shareholders, who are eligible to participate in the Buyback Offer.

19.6.2 The Equity Shares proposed to be bought back by the Company shall be divided in two categories:

(i) Reserved category for Small Shareholders ("**Reserved Category**"); and

(ii) General category for all Eligible Shareholders other than Small Shareholders ("**General Category**")

19.6.3 As defined under Regulation 2(i)(n) of the Buyback Regulations, a "Small Shareholder" is a Shareholder who holds Equity Shares whose market value, on the basis of closing price on Stock Exchanges as on Record Date, is not more than ₹ 2,00,000/- (Rupees Two Lakh only). As on the Record Date, the closing price on NSE, having the highest trading volume, was ₹ 130.45 (Rupees One Hundred Thirty and Four Five paise only) per Equity Share, accordingly all Shareholders holding not more than 1,533 Equity Shares as on the Record Date are classified as 'Small Shareholders' for the purpose of the Buyback Offer.

19.6.4 Based on the above definition, there are 76,450 Small Shareholders with aggregate shareholding of 1,59,87,040 Equity Shares, as on the Record Date, which constitutes 6.55% of the outstanding number of Equity Shares of the Company and 81.32% of the maximum number of Equity Shares which are proposed to be bought back as part of this Buyback Offer.

19.6.5 In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 19,50,000 Equity Shares which is higher of:

(i) Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 1,30,00,000 Equity Shares which works out to 19,50,000 Equity Shares; or

(ii) The number of Equity Shares to which the Small Shareholders are entitled, as per their shareholding as on Record Date i.e. [(1,59,87,040 /24,42,06,795) X 1,30,00,000] which works out to 8,51,048 Equity Shares.

All the outstanding fully paid up Equity Shares have been used for computing the entitlement of Small Shareholders.

19.6.6 Based on the above analysis and in accordance with Regulation 6 of the Buyback Regulations, 19,50,000 Equity Shares have been reserved for Reserved Category and accordingly, the General Category for all other Eligible Shareholders shall consist of 1,10,50,000 Equity Shares.

19.6.7 Based on the above, the entitlement ratio of Buyback for both categories is decided as below:

19.7 **Category Entitlement Ratio of Buyback**

Category	Entitlement Ratio of Buyback*
Reserved Category	5 Equity Shares out of every 41 fully paid-up Equity Shares held on the Record Date
General Category	26 Equity Shares out of every 537 fully paid-up Equity Shares held on the Record Date

**The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number than the Buyback Entitlement printed in the Tender Form due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 12.1973798777009% and General category for all other Eligible Shareholders is 4.841824494991680%.*

19.8 **Fractional entitlements**

If the entitlement under 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 entitlement to tender Equity Shares in the Buyback Offer, for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 8 or less Equity Shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered 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.

19.9 **Basis of acceptance of Equity Shares validly tendered in the Reserved Category**

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

19.9.1 Full acceptance (100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

19.9.2 Post the acceptance as described in paragraph 19.9.1 above, in case, there are any Shares left to be bought back from the Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of fractional entitlement), and have tendered additional Shares, shall be given preference and one Equity Share each from the additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.

19.9.3 Post the acceptance as described in paragraph 19.9.1 and 19.9.2, in case, there are any validly tendered unaccepted Shares in the Reserved Category (**"Reserved Category Additional Shares"**) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Eligible Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.9.1, shall be reduced by one.

19.9.4 Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.9.3, will be made as follows:

(i) For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is greater than or equal to 0.50 (point five zero), then the fraction would be rounded off to the next higher integer.

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

19.10 **Basis of acceptance of Equity Shares validly tendered in the General Category**

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

19.10.1 Full acceptance (100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

19.10.2 Post the acceptance as described in paragraph 19.10.1, in case, there are any validly tendered unaccepted Shares in the General Category ("**General Category Additional Shares"**) and Shares left to be bought back in General Category, the General Category Additional Shares shall be

accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the General Category Additional Shares by the Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.

19.10.3 Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.10.2, will be made as follows:

(i) For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

(ii) For any Eligible Shareholder, if the number of Additional 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.

19.11 **Basis of acceptance of Equity Shares between the two categories**

19.11.1 After acceptances of tenders, as mentioned in paragraph 19.9 and 19.10, in case, there are any Shares left to be bought back in one category ("**Partially Filled Category**") and there are additional unaccepted validly tendered Shares **("Further Additional Shares")** in the second category ("**Over Tendered Category**"), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid acceptances per Shareholder shall be equal to Further Additional Shares validly tendered by the Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially Filled Category.

19.11.2 If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.11.1 out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 19.9.

19.11.3 Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.11.1 and 19.11.2:

(i) For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

(ii) For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.11.4 In case of any practical issues, resulting out of rounding-off of 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.

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

19.12.1 Shares accepted under the Buyback from each Eligible Shareholder, shall be lower of the following:

(i) the number of Shares tendered by the respective Eligible Shareholder and

(ii) the number of Shares held by the respective Eligible Shareholder, as on the Record Date.

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

19.13 **Clubbing of Entitlement**

In order to ensure that the same shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Reserved 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. The shareholding of institutional investors like 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 SHARES AND SETTLEMENT

20.1 The Buyback is open to all Eligible Shareholders of the Company holding Equity Shares in dematerialized form on the Record Date.

20.2 The Company proposes to effect the Buyback through the Tender Offer route, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed/dispatched to Eligible Shareholders.

20.3 The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.24 below.

20.4 The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/ sale of such shares or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise. The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till such Equity Shares become transferable. The Company shall also not accept the Equity Shares offered for Buyback where the title to such Equity Shares is under dispute or otherwise not clear.

20.5 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the 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.

20.6 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.

20.7 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.

20.8 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.

20.9 As elaborated under paragraph 19.6 above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories: (a) Reserved Category and (b) the General Category. The Buyback Entitlement of Eligible Shareholders in each category shall be calculated accordingly.

20.10 After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.

20.11 The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI Circular and following the procedure prescribed in the Companies Act, the Share Capital Rules and the Buyback Regulations and as may be determined by the Board (including the Buyback committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

20.12 For implementation of the Buyback, the Company has appointed Ambit Capital Private Limited as the registered broker to the Company (the "**Company's Broker**") to facilitate the process of tendering of Equity Shares through Stock Exchange Mechanism for the Buyback as described in the paragraph 20.11 through whom the purchases and settlements on account of the Buyback would be made by the Company. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders. The contact details of the Company's Broker are as follows:



Ambit Capital Private Limited
Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel: + 91 (22) 6623 3000; Fax: + 91 (22) 6623 3100;
Contact Person: Sameer Parkar
E-mail ID: Sameer.Parkar@ambit.co
Website: www.ambit.co
SEBI Registration Number: INZ000259334
CIN: U74140MH1997PTC107598

20.13 The Company will request the Stock Exchanges to provide the separate acquisition window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE will be the designated stock exchange for the Buyback ("**Designated Stock Exchange**"). The details of the platform will be specified by the Stock Exchanges from time to time.

20.14 All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers ("**Shareholder Broker**").

20.15 In the event Shareholder Broker(s) are not registered with the Stock Exchanges or if the Eligible Shareholders do not have any stock broker, then that Eligible Shareholder can approach any stock broker registered with the Stock Exchange and can make a bid by using quick unique client code ("**UCC**") facility through that stock broker registered with the either of the Stock Exchange after submitting the details as may be required by the stock broker to be in compliance with the Buyback Regulations. In case Eligible Shareholders is not able to bid using quick UCC facility through any other stock broker registered with the either of the Stock Exchanges, then the Eligible Shareholders may approach the Company's Broker, to bid by using quick UCC facility after submitting requisite documents.

Eligible Shareholders approaching a stock broker registered with the either of the Stock Exchanges (with whom they do not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker.

20.16 All Eligible Shareholders, through their respective Shareholder Broker will be eligible and responsible to place orders in the acquisition window. All Eligible Shareholders can enter orders for Equity Shares in demat form.

20.17 At the beginning of the tendering period, the order for buying up to 1,30,00,000 Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Shareholder Brokers during normal trading hours of the secondary market.

20.18 Modification/ cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.

20.19 The cumulative quantity tendered shall be made available on website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the Tendering Period.

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

20.21 **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialized form**

20.21.1 In case any person who has submitted the Equity Shares held by them in the physical form for dematerialisation should ensure that the process of getting the Equity Shares dematerialised is completed before such eligible Shareholders tender their Equity Shares in the Buy-back, so that they can participate in the Buy-back.

20.21.2 Eligible Shareholders who desire to tender their Equity Shares in the electronic form under Buyback would have to do so through their respective Shareholder Broker by indicating to their Shareholder Broker the details of Equity Shares they intend to tender under the Buyback.

20.21.3 The Shareholder Broker 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. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of the Clearing Corporation, by using the early pay in mechanism of the depository prior to placing the order/ bid on the platform of BSE or the Clearing Corporation by the Shareholder Broker. For further details, Eligible Shareholders may refer to the circulars issued by Stock Exchanges/ Clearing Corporation.

20.21.4 The details of the settlement number of the special account of the Clearing Corporation under which the Equity Shares are to be transferred in the account of Clearing Corporation for the Buyback will be provided in a separate circular to be issued by BSE or NSE or the Clearing Corporation.

20.21.5 For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order/bid by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours (i.e. 3:30 p.m.) on the last day of the Tendering Period (i.e. the Buyback Closing Date). 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.

20.21.6 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 Shareholders places the bids.

20.21.7 Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered, etc.

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

(i) Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;

(ii) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and

(iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions) and court approved scheme of merger/amalgamation for a company, if applicable.

20.21.9 **In case of demat equity shares, submission of Tender Form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Eligible Shareholders holding Equity Shares in demat form are deemed to have successfully tendered the Equity Shares in the Buyback.**

20.21.10 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. Excess Equity Shares or unaccepted Equity Shares, in dematerialised form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to such Eligible Shareholder 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.

20.22 **Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form**

As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with the SEBI notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, and the press releases dated December 3, 2018 and March 27, 2019 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, Shareholders desirous of tendering their Equity Shares held in physical form can do so only after the shares are dematerialized and are advised to approach the concerned depository participant to have their Equity Shares dematerialized.

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

20.23.1 While tendering their Equity Shares under the Buy-back, all Eligible Shareholders being Non-resident Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms. FPIs shareholders should also enclose a copy of their SEBI registration certificate.

20.23.2 In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Shareholder shall obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by the non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to

have been acquired on non-repatriation basis and in that case the Non-Resident Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity shares accepted under the Buyback.

20.23.3 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.

20.23.4 Any Equity Shares tendered after the Buy-back Closing Date by an Eligible Shareholder shall not be accepted.

THE INSTRUCTIONS AND AUTHORIZATIONS CONTAINED IN THE TENDER FORM CONSTITUTE AN INTEGRAL PART OF THE TERMS OF THIS BUY-BACK.

THE NON RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE SAME TO PARTICIPATE IN THE BUYBACK, SHALL NOT INVALIDATE THE BUYBACK OFFER IN ANY WAY.

20.24 **In case of non-receipt of the Letter of Offer:**

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

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

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

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.

20.25 **Method of Settlement**

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

(i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time and in compliance with the SEBI Circular.

(ii) 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 demat Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If Eligible Shareholders' bank

account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, such funds will be transferred to the concerned Shareholder Brokers' settlement bank account for onward transfer to such Eligible Shareholders holding Equity Shares in dematerialized form.

(iii) In case of certain client types viz. Non-Resident Shareholders (where there may be 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 Shareholder Broker'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 amount payable to the Eligible Shareholder pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.

(iv) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for the Buyback (**"Company Demat Account"**) provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

(v) 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 non–acceptance of shares under the Buyback.

(vi) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholder's DP account, as part of the exchange payout process. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant. The Shareholder Brokers would return these unaccepted Equity Shares to their respective clients on whose behalf the bids have been placed.

(vii) The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Shareholders will be transferred to the Shareholder Broker for onward transfer to the Eligible Shareholder.

(viii) Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Brokers for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders from their respective Shareholder Brokers, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Manager and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

(ix) The Equity Shares lying to the credit of the Company Demat Account will be extinguished in the manner and following the procedure prescribed in the Regulations.

20.26 **Rejection Criteria**

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

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

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

21. NOTE ON TAXATION

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

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

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND THERE CAN BE NO LIABILITY ON THE COMPANY IF ANY ACTION IS TAKEN BY THE SHAREHOLDER SOLELY BASED ON THIS TAX SUMMARY.

THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

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

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.

Therefore, shareholders cannot rely on this advice and the summary tax implications relating to the treatment of income tax in the case of buyback of equity shares listed on the stock exchange set out below should be treated as indicative and for guidance purposes only.

GENERAL

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

A person who is treated as a non – resident for Indian Income-Tax purposes is generally subject to tax in India only on such person's India accrued income or income received by such person in India or income deemed to accrue/ arise in India. Any gains arising to a non – resident on transfer of Equity Shares of an Indian Company should be taxable in India under the Income Tax Act. Further, the non – resident can avail the beneficial provisions of the Double Tax Avoidance Agreement (DTAA) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintain necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes/ rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary of tax implications on buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

a. Resident Shareholders being:
- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of individuals (BOI)
- Companies
- Co-operative Societies

b. Non Resident Shareholders being:
- Non Resident Individuals
- Foreign institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
    - Company
    - Other than Company

CLASSIFICATION OF INCOME

Shares can be classified under the following 2 (two) categories:

a. Shares held as investment (income from transfer taxable under the head "Capital Gains")

b. Shares held as stock-in-trade (income from transfer taxable under the head "Profit and Gains from Business or Profession)

Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for tax purposes, depending upon whether such shares were held as a capital asset (held as investment) or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. The Central Board of Direct Taxes has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as his business income. Also, if such shares are held for a period of more than 12 months, and the taxpayer desires to treat the income arising from the transfer thereof as "capital gains", the same shall not be put to dispute by the Tax Officer, however, this stand, once taken by the taxpayer in a particular Assessment Year, shall remain applicable in subsequent Assessment Years also and the taxpayers shall not be allowed to adopt a different/contrary stand in this regard in subsequent years.

Further, investments by foreign portfolio investors/ FIIs in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the Income Tax Act.

SHARES HELD AS INVESTMENT

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head "Capital Gains". Capital gains on buyback of shares of a company are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of Section 48 of the Income Tax Act. Exemption under section 10(34A) of the Income Tax Act is not applicable to buy back of shares of listed companies. The provisions of buy back under Section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange.

For non - residents, capital gains would be subject to taxability under the Income Tax Act or beneficial provisions of applicable Double Taxation Avoidance Agreement ("DTAA"), whichever is more beneficial. However, in order to avail the benefits of DTAA, the non-resident shareholder shall obtain the certificate referred to in sub-section (4) of section 90 of the Income Tax Act and shall also furnish the prescribed particulars referred to in sub-section (5) of section 90 of the Income Tax Act.

Period of holding

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

- In respect of equity shares held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short term capital asset, and the gains arising there from shall be taxable as "short term capital gains" ("**STCG**").

- Similarly, where equity shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a long- term capital asset, and the gains arising there from shall be taxable as "long – term capital gains" ("**LTCG**").

Buy back of shares through a recognized stock exchange

Since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax ("**STT**"). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

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

With effect from April 1, 2018, buyback of equity shares (which is subject to STT) will be taxable as LTCG in accordance with the provisions of section 112A of the Income Tax Act.

- LTCG will be the difference between the consideration paid by the Company on buyback of equity shares and the 'specified cost of acquisition' of such shares

- The 'specified cost of acquisition' of the equity shares which are acquired prior to February 1, 2018 will be the higher of:
  i. the cost of acquisition of equity shares and
  ii. Lower of— (a) the fair market value of equity shares; and (b) the full value of consideration received or accruing as a result of the transfer of the equity shares.

- Fair market value is defined to mean the value as on January 31, 2018 which is the highest price of the equity shares quoted on the stock exchange.

- Long Term Capital Gains tax from such transactions will be charged @ 10% under section 112A of the Income Tax Act. However, long term capital gains from such shares up to a maximum of ₹ 1,00,000/- during the financial year is exempt from tax.

- Where Section 112A is not applicable, LTCG will be chargeable to tax for resident Individuals at 20% with indexation or at 10% without indexation, along with the rebate as is applicable.

- In the case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax (i.e., basic exemption limit) is required to be considered while computing LTCG or STCG taxable under section 111A or 112A of the Income Tax Act.

- STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the Income Tax Act.

In addition, surcharge (at the applicable rates if income exceeds certain limits) and health and education cess @ 4% is applicable.

Further, resident corporate shareholders would also be subject to Minimum Alternate Tax ("MAT") under section 115JB of the Income Tax Act at the rate of 18.50%. Foreign companies will not be subject to MAT if the country of residence of such foreign company has entered into a DTAA with India and such foreign company does not have a permanent establishment in India.

Non- resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting the certificate referred to in sub-section (4) of section 90 of the Income Tax Act and the particulars referred to in sub-section (5) of the said section.

SHARES HELD AS STOCK-IN-TRADE

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

Resident Shareholders

a. For individuals, HUF, AOP, BOI, profits/ gains would be taxable at slab rates.

b. For persons other than stated in (a) above, profits/ gains would be taxable @ 30%. However, in the case of Domestic Companies where the turnover or gross receipts during the financial year 2017-18 does not exceed two hundred and fifty Crores, the rate of tax is 25%.

   In addition, surcharge (at the applicable rates if the income exceeds certain limits) and health and education cess @ 4% will be applicable.

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

Non Resident Shareholders

a. Where DTAA provisions are applicable:

   Non – resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India with relevant country in which the shareholder is resident, but subject to fulfilling relevant conditions and submitting necessary documents prescribed under Section 90(4) and 90(5) of the Income Tax Act.

b. Where DTAA provisions are not applicable:

   - For non-resident individuals, HUF, AOP, BOI, profits/ gains would be taxable at slab rates
   - For foreign companies, profits/ gains would be taxed in India @ 40%
   - For other non-resident shareholders, such as foreign firms, profits/ gains would be taxed in India @ 30%.

   In addition to the above, Surcharge (at applicable rates) and Health and Education Cess @ 4% are leviable.

TAX DEDUCTION AT SOURCE

In case of Resident Shareholders

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

In case of Non – resident Shareholders

Since the buy-back is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is therefore advisable for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians/authorized dealers/ tax advisor/ stock broker appropriately. The non-resident shareholders must also file their tax return in India inter-alia considering gains arising on this buyback of shares in consultation with their tax advisors.

In the event, the Company is held liable for the tax liability of the Non-resident Shareholder, the same shall be to the account of the Non-resident Shareholder and to that extent the Company is entitled to be indemnified. The non-resident shareholders also undertake to provide the Company, on demand, 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.

TAX SLABS

The Maximum income not chargeable to tax for the year are as follows:

Taxpayer type	Maximum amount not chargeable to tax
Resident individuals who is a senior citizen (60 years or more but less than 80 years as on last date of financial year)	₹ 300,000
Resident individuals who is a super senior citizen (80 years or more at any time during the financial year)	₹ 500,000
In case of any other individual	₹ 250,000
In case of HUF, AOP, BOI, Artificial judicial person	₹ 250,000

Rebate Under Section 87A for Resident Individuals. A resident Individual is eligible for a rebate of 100% of income tax liability or ₹12,500, whichever is lower.

RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge, Health and Education Cess are leviable as follows:

Surcharge

Taxpayer	Range of total income	Rate
Domestic companies	Exceeds ₹ 1 crore but does not exceed ₹ 10 crore	7%
	Exceeds ₹ 10 crore	12%
Companies other than domestic companies	Exceeds ₹ 1 crore but does not exceed ₹ 10 crore	2%
	Exceeds ₹ 10 crore	5%
Individuals, HUF, AOP, BOI	Exceeds ₹ 50 Lakhs but does not exceed ₹ 1 crore	10%
	Exceeds ₹ 1 crore	15%
Firms, Local Authority	Exceeds ₹ 1 crore	12%

Cess

Health and Education Cess @4% is leviable in all cases on the amount of tax and surcharge, if any.

BUYBACK TAX

The Finance Bill (No. 2), 2019 was passed by the Parliament after which it received the assent of the President of India on August 1, 2019, and hence the Finance Act (No. 2), 2019 was enacted. In terms of Clause 36 of the Finance Act (No. 2), 2019, Section 115QA of the Income Tax Act, 1961 ("**IT Act**") was amended to include listed companies within the purview of buyback tax (which was earlier only applicable to unlisted companies). On September 20, 2019, the President of India promulgated the Taxation Laws (Amendment) Ordinance, 2019 No 15 of 2019 ("**Ordinance**"), pursuant to which a proviso to Section 115QA of the IT Act was inserted, which reads as follows:

> *"Provided that the provisions of this sub-section shall not apply to such buy-back of shares (being the shares listed on a recognised stock exchange), in respect of which public announcement has been made before 5th day of July, 2019 in accordance with the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 made under the Securities and Exchange Board of India Act, 1992 as amended from time to time"*

Thus, buyback tax will not be applicable on buy-back of shares by a listed company in respect of which the public announcement has been made prior to July 5, 2019.

Note

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES.

22. DECLARATION FROM THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations read with Regulation 5 (iv) (b) of the Buyback Regulations:

The Board of Directors of the Company confirm that there are no defaults subsisting in the repayment of deposits accepted either before or after the commencement of the Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company.

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 that based on such full enquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed the opinion that:

(ii) Immediately following the date of the Board Meeting, i.e. May 2, 2019 and the date on which the results of the postal ballot including e-voting for the proposed Buyback were announced, i.e. June 25, 2019, there will be no grounds on which the Company could be found unable to pay its debts;

(iii) As regards the Company's prospects for the year immediately following the date of the Board Meeting and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 (one) year from the date of the Board Meeting or within a period of 1 (one) year from the date on which the results of the postal ballot will be declared, as the case may be; and

(iv) In forming the aforementioned opinion, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016, as amended.

For and on behalf of the Board of Directors

Sd/-	Sd/-
Nagesh Basavanhalli Managing Director & CEO DIN: 01886313	Kewal Handa Independent Director DIN: 00056826

23. REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY'S AUDITOR'S ON THE PERMISSIBLE CAPITAL PAYMENT AND THE OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

The text of the Report dated May 17, 2019 of Deloitte Haskins and Sells, LLP, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

Independent Auditors' Report on buy back of shares pursuant to the requirements of Schedule I to the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018

The Board of Directors
Greaves Cotton Limited
Unit No. 701, 7th Floor, Tower 3,
Equinox Business Park,
LBS Marg, Kurla West, Mumbai - 400 070

Dear Sir/ Madam,

Sub: Statutory Auditor's Report in respect of proposed buyback of equity shares by Greaves Cotton Limited (the "Company") in terms of the clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (as amended) ("Buyback Regulations").

1. This Report is issued in accordance with the terms of our engagement letter dated May 15, 2019.

2. The board of directors of the Company ("**Board of Directors**") have approved a proposal for buyback of equity shares by the Company at its meeting held on May 2, 2019 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the "**Act**") and the Buyback Regulations. We have been requested by the management of the Company ("**Management**") to provide a report on the accompanying statement of permissible capital payment (including premium) ('Annexure') as at March 31, 2019 (hereinafter referred to as the "**Statement**"). This Statement has been prepared by the Management, which we have initialled for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(c) of the Act and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, 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.

Auditor's Responsibility:

4. Pursuant to the requirement of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:

    i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements as at and for the year ended March 31, 2019.

    ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone and consolidated financial statements as at March 31, 2019 in accordance with Section 68(2) of the Act; and

    iii. if the Board of Directors of the Company, in their meeting held on May 2, 2019 have formed the opinion as specified in Clause (x) of Schedule I to the 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 aforesaid date and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

5. The standalone and consolidated financial statements referred to in paragraph 4 above, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated May 2, 2019. We conducted our audit of these financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India

("**ICAI**"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether these financial statements are free of material misstatement.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the ICAI ("**Guidance Note**"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

8. Based on enquiries conducted and our examination as above, we report that:

   a. We have enquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements as at and for the year ended March 31, 2019 which have been approved by the Board of Directors of the Company on May 2, 2019.

   b. The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith, is properly determined in our view in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2019.

   c. The Board of Directors of the Company, in their meeting held on May 2, 2019 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated May 2, 2019, and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

Restriction on Use

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 the explanatory statement to the notice for special resolution, public announcement, draft letter of offer, letter of offer 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, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Sd/-
Mukesh Jain
Partner
(Membership No. 108262)

Mumbai; May 17, 2019

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 Act based on audited standalone and consolidated financial statements as at and for the year ended March 31, 2019:

(Rs. In crores)

Particulars	Standalone financial statements	Consolidated financial statements
Paid-up Equity Share Capital as at (A)	48.84	48.84
Free reserves as at March 31, 2019		
Retained earnings*	491.89	487.22
Securities Premium	34.59	34.59
General reserve	346.18	345.17
Total Free Reserves (B)	872.66	866.98
Total (A + B)	921.50	915.82
Maximum amount permissible for the buyback i.e. 25% of total paid-up equity capital and free reserves	230.38	228.96

*Adjusted for re-measurement profits (net of tax) on fair valuation of assets of Rs. 46.32 Crore for Standalone financial statements and Rs. 46.33 Crore for Consolidated financial statements respectively.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its shareholders holding equity shares of the Company.

None of the Directors or any Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company.

For Greaves Cotton Limited
Sd/-
Neetu Kashiramka
Chief Financial Officer
May 17, 2019
Unquote

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at Greaves Cotton Limited Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai - 400 070, India on any working day (i.e. Monday to Friday) between 11:00 a.m. to 4:00 p.m. during the Offer Period.

a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association of Greaves Cotton Limited;

b) Copy of the annual reports of Greaves Cotton Limited for the years ended March 31, 2018 and March 31, 2017, and the financial results for the year ended March 31, 2019;

c) Copy of the resolution passed by the Board of Directors at the meeting held on May 2, 2019 approving proposal for Buyback, and copy of the resolution passed by the Buyback Committee on May 23, 2019;

d) Copy of the special resolution of the Equity Shareholders passed by way of postal ballot, the results of which were announced on June 25, 2019;

e) Copy of Certificate dated May 17, 2019 received from Deloitte Haskins and Sells, LLP, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;

f) Copy of Declaration of solvency and an affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act;

g) Copy of Escrow Agreement dated July 4, 2019 between the Company, the Escrow Agent and the Manager to the Buyback;

h) Certificate dated June 26, 2019 received from N K R & Co. (Firm Registration No. 127820W), Chartered Accountants, certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations;

i) Copy of Public Announcement published on June 27, 2019 regarding Buyback of Equity Shares; and

j) Opinion dated July 3, 2019 and September 30, 2019 received from N K R & Co. (Firm Registration No. 127820W), Chartered Accountants, containing the note on taxation; and

k) Copy of SEBI observation letter no. SEBI/HO/CFD/DCR-1/OW/P/2019/26038/1 dated October 3, 2019.

25. DETAILS OF THE COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buyback:

Name	:	Mr. Atindra Basu
Designation	:	Company Secretary and Compliance Officer
Address	:	Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai - 400 070
Phone	:	+91 (22) 62211700
Email	:	investorservices@greavescotton.com
Website	:	www.greavescotton.com

25.1 In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer, from Monday to Friday between 10 a.m. to 5 p.m. on all working days except public holidays, at the above-mentioned address.

26. REMEDIES AVAILABLE TO SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievance relating to the Buyback (e.g. non-receipt of the Buyback consideration, demat credit etc.) the investor can approach the Compliance Officer and/or the Registrar to the Buyback and/or Manager to the Buyback for redressal.

If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there-under, or any regulation or under clause (f) of subsection (2) of Section 68 of the Companies Act, 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.

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

Registrar of Companies, Mumbai
"Everest" Building, 100, Marine Drive,
Mumbai – 400 002
Phone: 022-22812627/22020295/22846954

27. DETAILS OF THE MANAGER TO THE BUYBACK

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



Ambit Capital Private Limited
Ambit House, 449, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013
Tel: + 91 (22) 3043 3000; **Fax:** +91 (22) 3043 3100
Contact Person: Krishnakant Jaju
E-mail: gcl.buyback2019@ambit.co
Website: www.ambit.co
SEBI Registration Number: INM000012379
Validity Period: Permanent Registration

28. DECLARATION BY THE DIRECTORS

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for all the information contained in this Letter of Offer. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on May 2, 2019 and the special resolution passed by the Shareholders through postal ballot, the results of which were announced on June 25, 2019.

For and on behalf of the Board of Directors of
Greaves Cotton Limited

Sd/-	Sd/-	Sd/-
Nagesh Basavanhalli Managing Director & CEO **DIN**: 01886313	**Kewal Handa** Independent Director **DIN:** 00056826	**Atindra Basu** Company Secretary and Compliance Officer **Membership No.** ACS 32389

Date: October 4, 2019
Place: Mumbai

TENDER FORM (FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM)

Bid Number:

Date:

BUYBACK OPENS ON	Friday, October 18, 2019
BUYBACK CLOSES ON	Friday, November 1, 2019

For Registrar / Collection Centre use		
Inward No.	**Date**	**Stamp**

Status (please tick appropriate box)					
	Individual		FII/FPI		Insurance Co
	Foreign Co		NRI/OCB		FVCI
	Body Corporate		Bank/FI		Pension/PF
	VCF		Partnership/LLP		Others (Specify)

India Tax Residency Status: Please tick appropriate box					
	Resident in India		Non-Resident in India		Resident of _____ *(Shareholder to fill the country of residence)*

To,
The Board of Directors,
Greaves Cotton Limited,
Unit No. 701, 7th Floor, Tower 3, Equinox Business Park,
LBS Marg, Kurla West, Mumbai - 400 070
Tel: +91 22 62211700; Fax: +91 22 62217499

Dear Sirs,

Subject: Letter of Offer dated October 4, 2019 to Buyback up to 1,30,00,000 Equity Shares of Greaves Cotton Limited (the "Company") at a price of ₹ 175 (Rupees one hundred and seventy five only) per Equity Share ("Buyback Price"), payable in cash ("Buyback")

1. I / We (having read and understood the Letter of Offer dated October 4, 2019) 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.
2. 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.
3. 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.
4. 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.
5. I / We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder.
6. 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.
7. 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.
8. I / We agree that the consideration for the accepted Shares will be paid to the Eligible Shareholder as per secondary market mechanism.
9. I/We agree that the excess demat Equity Shares or unaccepted demat Shares, if any, tendered would be returned to the Selling Member by Clearing Corporation in payout.
10. I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
11. 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 and the Buyback Regulations.
12. Details of Equity Shares held and tendered / offered for Buyback:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (Friday, July 12, 2019)		
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 Shareholder, 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

ACKNOWLEDGMENT SLIP: GREAVES COTTON LIMITED BUY BACK OFFER 2019

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

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

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

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

14. Equity Shareholders Details:

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

INSTRUCTIONS

1. The Buyback will open on Friday, October 18, 2019 and close on Friday, November 1, 2019.
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Buyback would have to do so through their respective Selling Member by indicating the details of Equity Shares they intend to tender under the Buyback.
4. The Equity Shares tendered in the Buyback shall be rejected if (i) the shareholder is not a shareholder of the Company as on the Record Date; (ii) if there is a name mismatch in the demat account of the shareholder, (iii) 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 (iv) a non-receipt of valid bid in the exchange bidding system.
5. The Eligible Shareholder will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buyback being on a proportionate basis in terms of the Buyback Entitlement.
6. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the Buyback by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback
7. Eligible Shareholders to whom the Buyback offer is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback entitlement.
8. For the procedure to be followed by Equity Shareholders for tendering in the Buyback, please refer to paragraph 20 of the Letter of Offer.
9. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
10. Non-Resident Equity Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (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.
11. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
12. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form file a copy of the following documents:
    (i) Approval from the appropriate authority for such merger
    (ii) The scheme of merger and
    (iii) The requisite form filed with MCA intimating the merger
13. **The Tender Form and TRS is not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.**

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, GREAVES COTTON LIMITED BUY BACK OFFER 2019
Karvy Selenium Tower B Plot No 31 & 32,
Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032
Tel: +91 (40) 6716 2222 | Fax: +91 (40) 2343 1551
Email: GCL.buyback@karvy.com | Website: www.karvyfintech.com
Contact Person: Mr. M Murali Krishna