

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you, being an Eligible Shareholder of **Avonmore Capital & Management Services Limited** (the “Company” or “ACMS”) 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 you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Buyback Offer i.e. **Corporate CapitalVentures Private Limited** or the Registrar to the Buyback Offer i.e. **Beetal Financial & Computer Services Pvt. Ltd.** Please refer to the section on “Definition of Key terms” for the definition of the capitalized terms used herein.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Registered Office: F-33/3, Okhla Industrial Area Phase-II New Delhi- 110020

CIN: L67190DL1991PLC045857

Contact Person: Ms. Sonal, Company Secretary and Compliance Officer

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CASH OFFER TO BUYBACK UP TO 9,17,680 (NINE LAKH SEVENTEEN THOUSAND SIX HUNDRED EIGHTY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10 (RUPEES TEN ONLY) EACH, REPRESENTING UP TO 3.78 % OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE ELIGIBLE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e. WEDNESDAY, JUNE 15, 2022 ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” PROCESS AT A PRICE OF ₹95/- (RUPEES NINETY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 8,71,79,600 (RUPEES EIGHT CRORE SEVENTY ONE LAKH SEVENTY NINE THOUSAND SIX HUNDRED ONLY) EXCLUDING TRANSACTION COSTS (“THE BUYBACK”).

- 1) The Buyback is in accordance with the Article 14 of the Articles of Association of the Company, the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended and in accordance with Regulation 4(iv)(a) and other applicable provisions contained in the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to the SEBI, the Stock Exchange, the Reserve Bank of India and such other regulatory authorities as may be required under applicable laws. The Buyback would be facilitated by tendering of equity shares by shareholders and settlement of the same through stock exchange using the “Mechanism for Acquisition of Shares through Stock Exchange” pursuant to Tender Offers under Takeovers, Buy-back and Delisting” as notified by SEBI vide its Circular Numbers CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, circular SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any further amendments thereof (“SEBI CIRCULARS”). In this regard, the company will request BSE to provide the Acquisition Window. For the purpose of this Buyback, BSE would be the Designated Stock Exchange.
- 2) The Buyback Offer Size which is not exceeding ₹ 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine Thousand Six Hundred only) represents 9.999% and 5.64% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements respectively of the Company for the financial year ended March 31, 2022 (which is within the statutory limit of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest standalone and consolidated audited financial statements respectively of the Company for the financial year ended March 31, 2022.)
- 3) The Letter of Offer will be sent to the Eligible Shareholder(s)/ Beneficiary Owner(s) of equity Shares as on the Record Date i.e. Wednesday, June 15, 2022.
- 4) The procedure for acceptance is set out in paragraph 21 (*Procedure for Tender Offer and Settlement*) on page 26 of this Letter of Offer. The Tender Form is enclosed together with this Letter of Offer.
- 5) For mode of payment of cash consideration to the Eligible Shareholders, please refer to paragraph 21.30 (*Method of Settlement*) on page 31 of this Letter of Offer.
- 6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of offer (including Tender Form) is expected to be available on the website of SEBI - <http://www.sebi.gov.in> and is available on the website of the Company at- www.avonmorecapital.in and on the website of www.ccvindia.com
- 7) Eligible Shareholders are advised to refer to paragraph 18 (*Details of Statutory Approvals*) on page 22 of this Letter of Offer and paragraph 22 (*Note on Taxation*) on page 34 of this Letter of Offer before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: MONDAY, JULY 04, 2022

BUYBACK CLOSES ON: FRIDAY, JULY 15, 2022

(LAST DATE/TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATE(S) BY THE REGISTRAR: MONDAY, JULY 18, 2022 BY 5:00P.M.

MANAGER TO THE BUYBACK OFFER

REGISTRAR TO THE BUYBACK OFFER



Corporate Capital Ventures

CORPORATE CAPITALVENTURES PRIVATE LIMITED

Contact Person: Mrs. Harpreet Parashar

Regd. Off.: B-1/E-13, First Floor, Mohan Cooperative Ind. Estate, N. Delhi- 110044

Tel No.: 011-41824066

E-mail: info@ccvindia.com

SEBI Regn. No.: MB/INM000012276

Validity Period: Permanent Registration

Website: www.ccvindia.com

CIN: U74140DL2009PTC194657



BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.

Contact Person: Mr. Punit Mittal

Regd. Off.: Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi- 110062

Tel.: +91 11-29961281-83/ 09810276579 **Fax No.:** +91 11- 29961284

Email: beetal@beetalfinancial.com, beetalrta@gmail.com

SEBI Registration Number: INR000000262

Validity Period: Permanent Registration

Website: www.beetalfinancial.com

CIN: U67120DL1993PTC052486

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1. SCHEDULE OF THE ACTIVITIES FOR THE BUYBACK OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal of the Buyback	May 30, 2022	Monday
Date of Public announcement of Buyback	May 31 st , 2022	Tuesday
Date of publication of the Public Announcement for the Buyback	June 01, 2022	Wednesday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	June 15, 2022	Wednesday
Date of Opening of the Buyback Offer	July 04, 2022	Monday
Date of Closing of the Buyback Offer	July 15, 2022	Friday
Last date of receipt of the completed Tender Forms and other specified documents including physical Equity Share certificates by the Registrar	July 18, 2022 (By 5 PM)	Monday
Last date of verification of Tender Forms by the Registrar	July 20, 2022	Wednesday
Last date of intimation regarding acceptance / non- acceptance of tendered Equity Shares by the Registrar	July 22, 2022	Friday
Last date of settlement on the Stock Exchange	July 25, 2022	Monday
Last date of dispatch of share certificate(s) by RTA/ payment to shareholders/ return of unaccepted demat shares by Stock Exchanges to Shareholder Broker/ Eligible Shareholders	July 25, 2022	Monday
Last date of extinguishment of Equity Shares	August 01, 2022	Monday

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

2. DEFINITION OF KEY TERMS

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

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI Buyback Regulations, the Companies Act, 2013, the SEBI Depositories Act, and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of fully paid-up Equity Shares, tendered by Eligible Shareholders in the Buyback Offer
Act / Companies Act	The Companies Act, 2013 as amended from time to time and the rules and regulations made thereunder and to the extent applicable.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars
Additional Shares/ Additional Equity Shares	Equity Shares tendered by Eligible Shareholders over and above their respective Buy-back Entitlement and such that total number of Equity Shares tendered does not exceed the Equity Shares held on the Record Date by such Eligible Shareholders
Articles/ AOA	Articles of Association of the Company
Board Meeting	Meeting of the Board of Directors held on May 30, 2022 approving the proposal for the Buyback Offer
Board/ Board of Directors/ Director(s)	Board of directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof)
BSE	BSE Limited
Buyback/ Buyback Offer/ Offer/ Buyback Offer Size	Cash offer by the Company to Buyback upto 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty) Equity Shares at a price of ₹ 95/- (Rupees Ninety Five only) per Equity Share for an aggregate consideration not exceeding ₹ 8,71,79,600 (Rupees Eight Crore Seventy-One Lakh Seventy-Nine Thousand Six Hundred only) on a proportionate basis, from the Eligible Shareholders, as on Record Date by way of a tender offer using the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars.
Buyback Closing Date	Friday, July 15, 2022

Term	Description
Buyback Committee/ Committee	The Buyback Committee of the Board constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated May 30, 2022.
Buyback Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by such Eligible Shareholder on the Record Date and the ratio/percentage of Buyback applicable in the category to which such Eligible Shareholder belongs
Buyback Opening Date	Monday, July 04, 2022
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	ICCL (Indian Clearing Corporation Limited)
Company/Avonmore/ ACMS/“we”	Avonmore Capital & Management Services Limited, unless the context states otherwise
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable)
Companies Act, 2013	The Companies Act, 2013, as amended
Company’s Broker	DB (International) Stock Brokers Private Ltd.
Compliance Officer	Ms. Sonal, Company Secretary of the Company
Demat Share(s)	Equity Share(s) of the Company in dematerialized form
Depositories	Collectively, NSDL and CDSL
Designated Stock Exchange	The designated stock exchange for the Buyback being, BSE
DIN	Director Identification Number
Draft Letter of Offer/ Offer Document/ DLOF	The Draft Letter of Offer dated 07 th June, 2022 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Eligible Equity Shares	Eligible Equity Shares means the lower of: (i) Total number of Equity Shares held by an Eligible Shareholder as on the Record Date; or (ii) Total number of Equity Shares tendered by an Eligible Shareholder.
Equity Shares/ Shares	Fully paid-up equity shares of face value ₹ 10 each of the Company
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company and includes beneficial owner(s) thereof
Eligible Shareholder(s)	All Shareholders / beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. June 15, 2022
Escrow Account	The escrow account titled “ ACMS- BUYBACK OFFER ESCROW ACCOUNT ” opened with the Escrow Agent in terms of the Escrow Agreement
Escrow Agent	Axis Bank Limited through its Branch located at Barakhamba Road, New Delhi-110001
Escrow Agreement	The escrow agreement dated May 31, 2022 entered into between the Company, Escrow Agent and the Corporate Capital Ventures Private Limited
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
Form / Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders to participate in the Buyback
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
HUF	Hindu Undivided Family
Income Tax Act	The Income Tax Act, 1961, as amended
IND AS	Indian Accounting Standards
Letter of offer	This Letter of offer dated June 27, 2022 to be filed with SEBI containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on Draft Letter of offer.
LTCG	Long-term Capital Gains
Ltd.	Limited
Manager / Manager to the Buyback Offer / CCV	Corporate Capital Ventures Private Limited
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FII(s), FPI(s) and erstwhile OCBs
NRE	Non-Residents External

Term	Description
NRI	Non- Resident Indian
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer Period / Tendering Period	Period of 10 working days from the date of opening of the Buyback Offer till its closure (both days inclusive)
Offer Price / Buyback Offer Price/ Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 95/- (Rupees Ninety Five only) per Equity Share, payable in cash
PAN	Permanent Account Number
Promoters and Promoter Group	Promoter and Promoter Group as have been disclosed under the filings made by the Company under the listing agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Public Announcement / PA	The public announcement, made in accordance with the Buyback Regulations, published on June 01, 2022 in all editions of Financial Express (English National daily), Jansatta (Hindi National daily) (<i>Hindi is the regional language of the place wherein the registered office of the company is located</i>).
Physical Share(s)	Equity Share(s) of the Company in physical form
Ratio of Buyback	The ratio of the Buy-back: (i) in case of Small Shareholders, 36 Equity Shares for every 361 Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, 5 Equity Shares for every 147 Equity Shares held by such Eligible Shareholder on the Record Date.
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be June 15, 2022.
Registrar to the Buyback Offer/ Registrar	Beetal Financial & Computer Services Pvt. Ltd.
Reserved Category	Category of the Small Shareholders eligible to tender Equity Shares in the Buyback
SEBI	Securities and Exchange Board of India
SEBI Circulars	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, circular bearing number SEBI/HO/CFD/DIL1/ CIR/P/2018/011 dated January 19, 2018 and circular bearing number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 including any statutory modification thereof.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Shareholder Broker	A stock broker (who is a member of the BSE and/or NSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than two lakh rupees, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. June 15, 2022.
STCG	Short-term Capital Gains
Stock Exchange	BSE, being the stock exchange where the Equity Shares of the Company are listed
Tender Form	Form of Acceptance-cum-Acknowledgement
Tender Offer	Method of buyback as defined in Regulation 2(1)(q) read with Regulation 9(vii) of the Buy-back Regulations using stock exchange mechanism
TRS	Transaction Registration Slip
Transaction Costs	Transaction cost incurred or to be incurred for the Buy Back viz. fees, brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty, turnover charges, filing fees, advisor fees, Public Announcement expenses, printing and dispatch expenses and other incidental and related expenses etc.
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulation 2(i) (s)

3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback Offer i.e. Corporate CapitalVentures Private Limited has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013 and the Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. The Manager to the Buyback Offer, Corporate CapitalVentures Private Limited has furnished to SEBI a due diligence certificate dated June 07, 2022 in accordance with Buyback Regulations which reads as follows:

"We have examined various documents and materials contained in the Draft Letter of Offer, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement published on June 01, 2022 and the Draft Letter of Offer dated June 07, 2022. On the basis of such examination and the discussions with the Company, we hereby state that:

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

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

The 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/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ mis-representation, the Promoters/ Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013, Buyback Regulations and other applicable laws and regulations.

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

DISCLAIMER FOR SHAREHOLDERS OF THE COMPANY IN COUNTRIES OTHER THAN INDIA

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Letter of Offer has been prepared for the purposes of compliance with the SEBI Buyback Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Except as otherwise required by applicable law, the Company and the Manager to the Buyback Offer are under no obligation to update the information contained herein at any time after the date of this Letter of Offer.

IMPORTANT NOTICE TO ALL THE EQUITY SHAREHOLDERS

This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. The Eligible Shareholders who have registered their email IDs with the depositories/the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email IDs with the depositories/the Company, shall be dispatched the Letter of Offer through physical mode by registered post/speed post/courier. However, receipt of the Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

FORWARD LOOKING STATEMENT

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

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

CURRENCY AND UNIT OF PRESENTATION

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

IMPORTANT NOTE ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 31.03.2022

Please note that the Standalone Audited Financial statements and the consolidated Audited financial statements for the year ended on 31.03.2022 have been approved by the Board of Directors at their meeting held on May 30, 2022, however the above-mentioned statements are yet to be approved by the Shareholders of the company at their ensuing Annual General Meeting. Therefore, the reference of these statements wherein in this Letter of offer should be read, understood and construed accordingly.

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on May 30, 2022. The extracts of the minutes of the Board Meeting are as follows:

"RESOLVED THAT pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, and other relevant rules made thereunder, each as amended from time to time (the "Companies Act"), and in accordance with Article 14 of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 as amended (the "Buyback Regulations"), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to such other approvals, permissions, sanctions and exemptions of Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs/ Registrar of Companies, Delhi & Haryana (the "ROC") and/ or other authorities, institutions or bodies (the "Appropriate Authorities"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the board of directors of the Company (the "Board of Directors"/ "Board" which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the **buyback of not exceeding 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty)** fully paid-up equity shares of face value of Rs. 10/- each ("Equity Share") representing approx. 3.78 % of the total number of fully paid-up Equity Shares in the paid up share capital of the Company **at a price of Rs. 95** (Rupees Ninety Five only) per Equity Share (the "Buy Back Offer Price") payable in cash for an **aggregate consideration not exceeding Rs. 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine thousand Six Hundred only)** (the "buyback offer size") (excluding transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses) **being 9.999% & 5.64 % of the aggregate of the fully paid-up Equity Share capital and free reserves as per the audited standalone and consolidated financial statements of the Company**, respectively, for the financial year ended March 31, 2022 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the Buyback) and is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up Equity Share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act and Buyback Regulations from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the Tender Offer route as prescribed under the Buyback Regulations (hereinafter referred to as the "Buyback")."

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

"RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/ 1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, Circular bearing No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and Circular bearing No. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 or such other circulars or notifications, as may be applicable including subsequent amendments or statutory modifications thereof and the Company shall approach the Stock Exchange(s), as may be required, for facilitating the same."

"RESOLVED FURTHER THAT such Buyback shall be made out of the Company's free reserves and / or such other permissible sources and on such terms and conditions as the Board or a duly constituted committee thereof may decide from time to time, as may be permitted by law through "Tender Offer" route and as required by the Buyback Regulations and the Companies Act, the Company may buyback Equity Shares from all the existing members holding Equity Shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of Equity Shares which the company proposes to 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 the Buyback Regulations."

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

- a) all Equity Shares of the Company are fully paid up;
- b) the Company shall not issue and allot any shares or other specified securities including by way of bonus, till the date of closure of this Buyback;
- c) the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations;
- d) The company, as per the provisions of Sec 68(8) of the Companies Act, 2013, shall not make further issue of same kind of equity shares or other specified securities within a period of 6 (six) months after the expiry of the buyback period except by way of Bonus shares or equity shares issued to subsisting obligations such as conversion of warrants, stock option scheme, sweat equity or conversion of preference shares or debentures into equity shares ("the subsisting obligations");
- e) 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;
- f) Company shall not use borrowed funds from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;

- g) Company shall not directly or indirectly purchase its Equity Shares: - through any subsidiary company including its own subsidiary companies, if any or - through any investment company or group of investment companies;
- h) Company shall not Buyback the locked-in Equity Shares or other specified securities, if any and non-transferable Equity Shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable;
- i) the ratio of the aggregate of secured and unsecured debts owed by the Company to the paid up capital and free reserves after buyback shall be less than or equal to 2:1 based on standalone and consolidated financial statements of the Company, after excluding financial statements of all subsidiaries that are non-banking financial statements and housing finance companies regulated by Reserve Bank of India or National Housing Bank, as the case may be. Provided that buy-back of securities shall be permitted only if all such excluded subsidiaries have their ratio of aggregate of secured and unsecured debts to the paid-up capital and free reserves of not more than 6:1 on standalone basis.
- j) the consideration for the Buyback shall be paid only by way of cash;
- k) the aggregate amount of the Buyback i.e. Rs. 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine thousand Six Hundred only) represents 9.999% & 5.64% of the total paid-up Equity Share capital and free reserves of the Company as per the latest audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2022 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the Buyback) and that the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty only) fully paid-up equity shares of face value of Rs. 10/- each does not exceed 25% of the total number of Equity Shares of the paid-up Equity Share Capital of the Company;
- l) the Buyback shall not result in delisting of the Equity Shares from the Stock Exchanges;
- m) the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act, 2013; and
- n) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date.
- o) The Buyback shall be completed within a period of 1 (one) year from the date of passing of this Board Resolution
- p) The company shall not make any offer of Buyback within a period of one year reckoned from the date of expiry of the Buy Back period
- q) The company has not undertaken a buyback of any of its securities during the period of 1 (one) year immediately preceding the date of Board Meeting wherein the proposal of buyback was approved
- r) The company shall not withdraw the buyback offer after the draft letter of offer is filed with SEBI or the Public Announcement of the offer of the buyback is made.
- s) The company shall not buyback 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: and
- t) The promoter(s) or his/their associates shall not deal in the shares or other specified securities of the company in the stock exchange or off-market, including inter-se transfer of shares among the promoters during the period from the date of passing the resolution of the board of directors, till the closing of the offer.

"RESOLVED FURTHER THAT the proposed buyback be implemented from the existing shareholders of the company as have been disclosed under the shareholding pattern filings made by the company from time to time under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended and intimations submitted from time to time pursuant to Securities Exchange and Board of India (Substantial Acquisition of Shares and Takeover) regulations, 2011 as amended ("SEBI TAKEOVER REGULATIONS") as the Board may Consider appropriate, from out of its free reserves and/or share premium account and/or surplus and/or cash balances and/or internal accruals of the Company and/or such other sources or by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

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

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

- a) immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) as regards the Company's prospects for the year immediately following the date of this Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities."

"RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and Mr. Govind Prasad Agarwal, Director & Mr. Ashok Kumar Gupta, Managing Director of the Company be and are hereby authorized to sign the same, for and on behalf of the Board, and Ms. Sonal, Company Secretary to file the same with the ROC and the SEBI."

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

"RESOLVED FURTHER THAT no information / material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and Buyback Regulations."

"RESOLVED FURTHER THAT the buyback is being processed in keeping with the Company's desire to enhance overall shareholders value and buyback would lead to reduction in total number of equity shares of the company."

"RESOLVED FURTHER THAT the approval of Board be and is hereby accorded for appointment of **Corporate Capital Ventures Private Limited** as the **Manager** to the Buyback offer and **DB (International) Stock Brokers Limited** as the **Broker** to the buyback and for other services related to buyback at a fee and on terms and conditions as mutually agreed between the parties. "

"RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for constitution of a Committee comprising of **Mr. Govind Prasad Agrawal, Director** and **Mr. Ashok Kumar Gupta, Managing Director** ("**Buyback Committee**") to do all such acts (except those intermediaries which are engaged by the Merchant Banker), deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

- a) appoint any intermediaries/agencies/persons as may be required for the purposes of the Buyback and decide, settle and vary the remuneration for all such intermediaries/agencies/ persons, including by the payment of commission, brokerage, fee, charges etc.;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) approving the terms of Buyback like the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback, acceptances of shares tendered by the shareholders in the Buyback;
- d) opening, operation and closure of all necessary accounts including bank accounts, escrow bank account, special escrow bank account, depository accounts (including escrow account), trading account with the Merchant Banker/Broker / Manager to the Buyback, for the purpose of payment and authorizing persons to operate the said accounts;
- e) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- f) approving and signing of the Buyback public announcement, draft letter of offer/ letter of offer;
- g) deciding the designated Stock Exchange;
- h) approving extinguishment of dematerialized shares and physical destruction of share certificates as required under applicable law;
- i) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, Stock Exchanges, depositories and/or other Appropriate Authorities;
- j) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- k) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;
- l) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company;
- m) to deal with Stock Exchanges (including their clearing corporations), and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 read with circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 including any further amendments thereof; and
- n) to do all such acts as it may, in its absolute discretion deem necessary, expedient or proper for the implementation of the Buyback.

The Committee will cease to exist after completion of Buyback issue.

The Company Secretary shall act as the Secretary to the Buyback Committee."

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

"RESOLVED FURTHER THAT the Buyback Committee shall have the power and authority to delegate all or any of its authorities conferred upon it to any director/ officer (s) and/ or representatives of the company, in order to give effect to the aforementioned resolutions and to revoke and substitute such delegations/sub- delegations of authority from time to time."

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

"RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for fixing **Wednesday, 15th June, 2022 as Record Date** for ascertaining the eligibility of the Shareholders to participate in the Buyback of Equity Shares of the Company."

"RESOLVED FURTHER THAT in terms of Regulation 24(iii) of the Buyback Regulations, **Ms. Sonal, Company Secretary** be and is hereby appointed as the **Compliance Officer** for the Buyback and **M/s Beetal Financial & Computer Services Private Limited** is be and hereby appointed as the **Investors Service Centre** to redress the grievances of the investors."

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

"RESOLVED FURTHER THAT Managing Director be and is hereby authorised to nominate any officer of the Company for negotiating, signing and executing necessary documents, undertaking, documents, letters, offers, agreements etc. for an on behalf of the Company."

"RESOLVED FURTHER THAT Mr. Ashok Kumar Gupta, Managing Director of the company and Ms. Sonal, the Company Secretary, be and are hereby severally authorized to file necessary e-forms with the Ministry of Corporate Affairs, Registrar of Companies, Delhi & Haryana and any other statutory authority and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions."

5. DETAILS OF PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated May 31, 2022 in relation to the Buyback, which was published on June 01, 2022 in the following newspapers.

Publication	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi*	All Editions

**Hindi being the regional language of the place wherein the registered office of the company is located.*

The Public Announcement was issued within two working days from the date of the passing of the resolution in the meeting of Board of Directors for the Buyback i.e. May 30, 2022.

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

A copy of the Public Announcement is available on the website of the company at www.avonmorecapital.in and on the website of the Manager to the offer at www.ccvindia.com and is expected to be available on the website of SEBI at www.sebi.gov.in, and on the Stock Exchanges website at www.bseindia.com

6. DETAILS OF THE BUYBACK

- 6.1 The Board of Directors of Avonmore Capital & Management Services Limited at their Board Meeting on Monday, May 30, 2022, has passed a resolution to buyback Equity Shares of the company not exceeding 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty) fully paid- up Equity Shares of face value ₹ 10 each from all the existing shareholders / beneficial owners of Equity Shares of the Company as on Record Date, on a proportionate basis, through the "Tender Offer" route, at a price of ₹ 95/- (Rupees Ninety Five only) per Equity Share payable in cash, for an aggregate consideration not exceeding ₹ 8,71,79,600 (Rupees Eight Crore Seventy-One Lakh Seventy-Nine Thousand Six Hundred only)
- 6.2 The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules") and in accordance with Article 14 of the Articles of Association of the Company and the provisions contained in the Buyback Regulations. The Buyback is subject to approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI & BSE.

- 6.3 The Buyback Offer Size represents 9.999% and 5.64% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively, for the financial year ended March 31, 2022 and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited financial statements and audited consolidated financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013. The maximum number of Equity Shares proposed to be bought back represents 3.78% of the total number of Equity Shares in the issued, subscribed and paid-up equity share capital of the Company, which is within the limit of 25.00% of the total Paid Up Equity share Capital as per the Provisions of the Companies Act.
- 6.4 The maximum amount required by the Company for the said Buyback will not exceed ₹ 8,71,79,600 (Rupees Eight Crore Seventy-One Lakh Seventy-Nine Thousand Six Hundred Only) (excluding the company's expenses incurred or likely to be incurred on Buyback processing filing fees payable to SEBI, advisors/legal fees, public announcement publication expenses, transaction cost such as brokerage, securities transaction tax, goods and services tax, stamp duty etc..) which represents 9.999% and 5.64% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2022 and is within permitted limits.
- 6.5 The Buyback is subject to the provisions of the Buyback Regulations and such other approvals, permissions as may be required from time to time from the SEBI and the Stock Exchange where the Equity Shares of the Company are listed and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken in accordance with SEBI Circular, which prescribes mechanism for acquisition of shares through stock exchange window ("Acquisition Window").
- 6.6 The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company and/or such other sources as may be permitted by law. The Company shall transfer from its free reserves and/or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The funds borrowed from banks and financial institutions, if any, will not be used for the Buyback. The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013 and Regulation 4(ii) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.
- 6.7 The Buyback shall be on a proportionate basis from all the Equity Shareholders of the Company through the "Tender Offer" process, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified in SEBI Circulars.
- 6.8 The Buyback would involve reservation for small shareholders which will be 15% of the No. of equity shares that the company proposes to Buyback or their entitlement whichever is higher.
- 6.9 The aggregate shareholding of (i) the Promoters and Promoter Group of the Company and persons in control, (ii) the directors of the Promoters and Promoter Group companies and (iii) aggregate shareholding of the Directors and Key Managerial Personnel, as on the date of the Record Date i.e. Wednesday, June 15, 2022 is given below:

- a. Shareholding forming part of the Promoter and Promoter Group and person in control:

S. No	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
Individuals				
1.	Navjeet Singh Sobti	20,76,315	20,76,315	8.57
2.	Gurpreet N S Sobti	5,000	5,000	0.02
Corporate				
3.	Innovative Money Matters Private Limited	90,53,010	90,53,010	37.30
4.	Rakam Infrastructures Private Limited	44,90,405	44,90,405	18.50
	TOTAL	1,56,24,730	1,56,24,730	64.37

- b. Shareholding of directors of the Promoters and Promoter Group entity (Both the promoter companies Innovative Money Matters Private Ltd. and Rakam Infrastructures Private Limited have common directors) in the Company:

S. No.	Name of the Director	Name of the Promoter Company	Number of Equity Shares held in the company	% Shareholding
1.	Gurpreet N S Sobti	Innovative Money Matters Private Ltd	5,000	0.02%
2.	Navjeet Singh Sobti	Innovative Money Matters Private Ltd	20,76,315	8.55%
3.	Gurpreet N S Sobti	Rakam Infrastructures Private Limited	5,000	0.02%
4.	Navjeet Singh Sobti	Rakam Infrastructures Private Limited	20,76,315	8.55%

c. Shareholding of the Directors and Key Managerial Personnel in the Company(s):

S. No.	Name of Shareholder	Designation	No. of Equity Shares held	% of Equity Share capital
1.	Govind Prasad Agrawal	Non-Executive - Non-Independent Director, Chairperson	Nil	0.00
2.	Ashok Kumar Gupta	Managing director	Nil	0.00
3.	Ashu Gupta	Non-Executive - Non-Independent Director	Nil	0.00
4.	Shyam Sunder Lal Gupta	Non-Executive - Independent Director	Nil	0.00
5.	Ajay Kumar	Non-Executive - Independent Director	Nil	0.00
6.	Bhupinder Singh	Non-Executive - Independent Director	Nil	0.00
7.	Shakti Singh	Chief Financial Officer	Nil	0.00
8.	Sonal	Company Secretary	Nil	0.00
	Total		Nil	0.00

6.10 Aggregate Equity Shares purchased or sold by (i) the Promoter and Promoter Group; (ii) Directors of the Promoter or Promoter Group Companies; and (iii) Directors and Key Managerial Personnel of the Company during a period of 12 (twelve) months preceding the date of the Public Announcement i.e. June 01, 2022:

- a. None of the Promoters and Promoter Group of the company other than Rakam Infrastructure Private Limited has acquired/sold any shares during 12 (twelve) months preceding the date of publication of Public Announcement ie. June 01, 2022. The details of transactions done by Rakam Infrastructure Private Limited are as follows:

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Average Transaction Price (₹)	Nature of Transaction/Consideration
27-09-2021	48,000	18,79,084.80	39.15	Acquisition through stock market
28-09-2021	49,096	18,83,547.39	38.36	Acquisition through stock market
29-09-2021	45,560	18,39,194.41	40.37	Acquisition through stock market
30-09-2021	55,422	22,70,153.90	40.96	Acquisition through stock market
22-11-2021	41,999	18,94,986.63	45.12	Acquisition through stock market
23-11-2021	20,760	9,57,373.03	46.12	Acquisition through stock market
24-11-2021	22,655	10,94,871.95	48.33	Acquisition through stock market
25-11-2021	21,766	10,59,006.66	48.65	Acquisition through stock market
26-11-2021	18,000	8,95,934.10	49.77	Acquisition through stock market
29-11-2021	27,689	13,21,603.44	47.73	Acquisition through stock market
30-11-2021	29,847	14,59,869.21	48.91	Acquisition through stock market
01-10-2021	21,623	10,62,855.34	49.15	Acquisition through stock market
02-12-2021	8,581	4,30,122.63	50.13	Acquisition through stock market
16-02-2022	24,751	16,78,030.96	67.80	Acquisition through stock market
17-02-2022	25,250	18,18,269.01	72.01	Acquisition through stock market
18-02-2022	23,073	17,41,012.13	75.46	Acquisition through stock market
21-02-2022	19,000	13,77,936.00	72.52	Acquisition through stock market
22-02-2022	10,000	6,58,971.03	65.90	Acquisition through stock market
23-02-2022	15,552	10,54,643.30	67.81	Acquisition through stock market
24-02-2022	20,826	13,37,023.22	64.20	Acquisition through stock market
25-02-2022	11,376	7,42,634.17	65.28	Acquisition through stock market
28-02-2022	17,350	11,55,505.07	66.60	Acquisition through stock market
02-03-2022	26,000	18,08,425.51	69.55	Acquisition through stock market
03-03-2022	40,816	29,89,085.87	73.23	Acquisition through stock market
04-03-2022	22,020	16,10,186.67	73.12	Acquisition through stock market
07-03-2022	16,000	11,21,796.50	70.11	Acquisition through stock market

08-03-2022	16,600	11,86,062.95	71.45	Acquisition through stock market
09-03-2022	15,000	10,91,220.70	72.75	Acquisition through stock market
10-03-2022	19,300	14,90,110.03	77.21	Acquisition through stock market
11-03-2022	23,764	18,48,132.94	77.77	Acquisition through stock market
14-03-2022	10,638	8,46,857.87	79.61	Acquisition through stock market
15-03-2022	16,391	13,52,150.16	82.49	Acquisition through stock market
16-03-2022	11,444	9,51,608.30	83.15	Acquisition through stock market
17-03-2022	19,690	16,86,358.40	85.65	Acquisition through stock market

- b. None of the Directors of Promoter Companies has acquired or sold any shares during 12 (twelve) months preceding the date of publication of public Announcement i.e June 01, 2022.
- c. None of the Directors and the Key Managerial personnel of the Company has acquired or sold the equity shares of the company during preceding 12 (twelve) months from the date of publication of Public Announcement i.e June 01, 2022.

6.11 In terms of the Buyback Regulations, under the Tender Offer Route, the promoters and promoter group and persons in control of the Company have the option to participate in the Buyback. In this regard, the Promoters have expressed their intention in the Board Meeting, dated May 30, 2022 not to participate in the Buyback offer.

6.12 Upon Completion of the Buyback, the Company will remain in compliance of the requirement of the maintain the minimum public shareholding as provided under Regulation 38 of the SEBI Listing Regulations.

7. AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, the Share Capital Rules Article 14 of the Articles of Association of the Company and the provisions contained in the Buyback Regulations.

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

The Board of Directors at their meeting on May 30, 2022 passed a resolution approving buyback of Equity Shares of the Company.

8. NECESSITY OF THE BUYBACK

Buy-back is the acquisition by a company of its own shares. Buy-back is an efficient form of returning surplus cash to the members holding equity shares of the Company, inter-alia, for the following reasons:

- a. The Buyback will help the Company to return surplus cash to its members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;
- b. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholder. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- c. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- d. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback Offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment; and
- e. Optimizes the Capital Structure.

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

9.1 The Company believes that the Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full response to the Buyback to the extent of 100% from all the Eligible Shareholders in proportion of their respective Buy- back Entitlement, the funds deployed by the Company towards the Buyback would be ₹ 8,71,79,600 (Rupees Eight Crore Seventy-One Lakh Seventy-Nine Thousand Six Hundred only) excluding transaction costs. This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.

9.2 The Company believes that the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is expected to contribute to the overall enhancement of

shareholder value and result in an increase in the return on equity of the Company.

- 9.3 The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company except to the ordinary course of business.
- 9.4 Promoters and Promoter Group of the Company have expressed their intention in the board meeting dated May 30, 2022 not to participate in the Buyback Offer in paragraph 6.11 of this Letter of Offer and if:
- All the public Shareholders participate upto their entitlement (full acceptance), then the aggregate shareholding of the Promoters & Promoter Group, post Buyback will increase from 64.37% (i.e. as on the date of Public Announcement) to 66.90% and the aggregate shareholding of the public in the Company shall decrease from 35.62% to 33.10% of the post Buyback Equity Share capital of the Company; or
 - None of the public shareholders participate, then the aggregate shareholding of the Promoters and Promoter Group, post Buyback will remain constant i.e 64.37% of Equity Share capital of the Company.
- 9.5 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non- Resident Shareholders, FIIs, FPIs, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.6 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed by Section 68 of the Companies Act, even if the response to the Buyback is to the extent of 100% (full acceptance).
- 9.7 The Company believes that the Buyback will not impact the growth opportunities of the Company.
- 9.8 In compliance with regulation 24(i)(b) of the Buyback Regulations the Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.
- 9.9 In compliance with Regulation 24(i)(f) of the SEBI Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of Buyback Offer except in discharge of its subsisting obligations.
- 9.10 The Company believes that the Buyback will not impact the growth opportunities of the Company.
- 9.11 The Equity Shares bought back by the company will be compulsorily cancelled and will not be held for re-issuance.
- 9.12 The Promoters and the Promoter Group shall not deal in the equity shares of the Company, including by way of any inter se transfer of shares amongst the Promoters/Promoters Group during the period from the date of resolution passed by the Board of Directors approving the Buyback till the date of the closure of the Buyback.
- 9.13 Salient financial parameters consequent to the Buyback based on the audited financial statements as on March 31, 2022 of the Company are as under:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post- Buyback*	Pre-Buyback	Post- Buyback*
Net worth (₹ in Lakh)	10,306.16	9,434.36	28,425.92**	27,554.12**
Return on Net worth (%)	1.35%	1.46%	14.23%	14.68%
Earnings Per Share (of Rs.10 each) (in Rupees)	0.54	0.59	13.38	17.32
Book Value per Share (₹)	42.46	40.40	117.12**	117.99**
P/E as per the latest audited financial results^	78.64	68.48	8.75	6.81
Total Debt/ Equity Ratio	0	0	0.16**	0.16**

* Assuming full acceptance of Equity Shares in the Buyback offer in the ratio of Buyback

** Includes Minority Interest of INR 7,801 Lakhs.

^ Price earnings ratio is computed on the basis of the closing price as on March 31, 2022 divided by earnings per share for the year ended March 31, 2022.

Note:

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

Key Ratios basis:

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

10. BASIS OF CALCULATING BUYBACK PRICE

- 10.1 The Buyback price of ₹ 95/- (Rupees Ninety Five only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on Stock Exchanges where the Equity Shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company.
- 10.2 The Buyback Offer Price of ₹ 95/- (Rupees Ninety Five only) per Equity Share represents:
- (a). a premium of 15.40% over the volume weighted average market price of the Equity Share on BSE, for 3 (Three) months preceding the date of prior intimation to BSE of the date of Board Meeting wherein the proposal of the Buy-back was proposed and approved;
 - (b). a premium of 20.50% over the volume weighted average market price of the Equity Share on BSE, for 2 (two) weeks preceding the date of prior intimation to BSE of the date of Board Meeting wherein the proposal of the Buy-back was proposed and approved;
 - (c). a premium of 15.61% over the volume weighted average market price of the Equity Shares on BSE, for 60 (Sixty) Trading days preceding the date of prior intimation to BSE of the date of Board Meeting wherein the proposal of the Buy-back was proposed and approved;
 - (d). a premium of 26.63% over the closing price of the Equity Shares on BSE, as on the date of intimation to BSE for the Board Meeting to consider the proposal of the Buyback i.e. May 19, 2022;
 - (e). a premium of 18.75 % over the closing price of the Equity Shares on BSE, as on the date of Board Meeting; and
- 10.3 The Buyback Price is higher by 123.74% over the book value per share as on March 31, 2022 of the Company on a standalone basis, which is ₹ 42.46 per equity share
- 10.4 For financial ratios and trends in the market price of the Equity Shares, please refer to paragraph 17 (Stock Market Data) of this Letter of Offer.
- 10.5 The closing market price of the Equity Shares as on the date of intimation to the BSE for the Board Meeting for considering the Buyback i.e. May 19th, 2022 was ₹ 74.90 on BSE.
- 10.6 The book value of the Company Pre-Buyback as on March 31, 2022 was ₹ 42.46 and ₹ 117.12 on standalone and consolidated basis respectively which will change to ₹ 40.40 and ₹ 117.99 Post-Buyback Offer on standalone and consolidated basis respectively.
- 10.6 The earning per share of the Company Pre-Buyback as on March 31, 2022 was ₹ 0.58 and ₹ 13.38 on standalone and consolidated basis respectively which will increase to ₹ 0.59 and ₹ 17.32 post- Buyback Offer on standalone and consolidated basis respectively.
- 10.7 The Return of Net-worth of the Company Pre-Buyback as on March 31, 2022 was 1.35% and 14.23% on standalone and consolidated basis respectively which will increase to 1.46% and 14.68% post-Buyback Offer on standalone and consolidated basis respectively.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty) Equity Shares at a price of ₹ 95 (Rupees Ninety Five only) per Equity Share not be exceeding ₹ 8,71,79,600 (Rupees Eight Crore Seventy-One Lakh Seventy-Nine Thousand Six Hundred only) excluding transaction costs.
- 11.2 The funds for the implementation of the Buyback will be sourced out of Company's current surplus and/or current balances of cash and cash equivalents and other current investments and/ or internal accruals of the Company and forms part of the free reserves of the Company (including securities premium account) and/or such other source(s) as may be permitted by the Buyback Regulations or the Companies Act. The Company will transfer from its free reserves or securities premium account, a sum equal to the nominal value of the Equity Shares bought back to the capital redemption reserve account, and details of such transfer shall be disclosed in its subsequent audited financial statements.
- 11.3 The funds for the Buyback will be met out of internally generated cash resources of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However if require company may borrow funds for its ordinary course of its business
- 11.4 This Buyback is not likely to cause any material impact on the operating earnings of the Company, except for the cost of financing the Buyback, being a reduction in the treasury income that the Company could have otherwise earned on the funds deployed.

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

- 12.1 In accordance with Regulation 9 (xi) of the Buyback Regulations, an Escrow Agreement has been entered into amongst the Company, the Manager to the Buyback Offer and the Escrow Agent on May 30, 2022.
- 12.2 In accordance with the Buyback Regulations, the Company has opened an Escrow Account in the name and style "ACMS-Buy Back Offer Escrow Account" bearing account number 922020028630914 with the Escrow Agent, namely, Axis Bank Limited having its registered office situated at 'Trishul', 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006,

Gujarat and Central Office at C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025 and acting through its Delhi Branch located at 148, Statesman House, Barakhamba Road, New Delhi-110001.

- 12.3 In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company has deposited Rs. 2,17,95,000 (Rupees Two Crore seventeen Lakh Ninety Five Thousand Only) in the Escrow Account on June 21, 2022, being equivalent to 25% up to ₹ 100 crore and further to be calculated as mentioned in the Regulation 9(xi) (b) (i) of the SEBI Buyback regulations. The Manager to the Buyback has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.

13. FIRM FINANCING ARRANGEMENTS

- 13.1 Mr. Himanshu Gupta having Membership No.527863, Partner in Mohan Gupta & Company, Chartered Accountants (FRN 006519N) having its office at Off.B-2A/37, Janakpuri, New Delhi- 110058 have certified, vide his certificate dated 30th May, 2022 that the Company has adequate financial resources for fulfilling all obligations under the Buyback Offer.
- 13.2 Based on the above certificate, the Manager to the Buyback Offer has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

14. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

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

Particulars	Present (₹ in Lakhs)	Post Completion of Buyback (₹ in Lakhs)
Authorized share capital		
3,00,00,000 Equity shares of ₹10 each	3000.00	3,000.00
Issued, subscribed and paid-up* share capital before the Buyback#	2492.17 (24270900 Equity Shares of Rs. 10.00 each)	2400.40 (23353220 Equity Shares of Rs. 10.00 each)

**The Difference between the issued and paid up share capital of the company is on account of forfeiture of Equity Shares of the Company, for further details please refer to paragraph 15.4 at page no 18 with footnotes.*

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

- 14.2 The Company has not bought back any Equity Shares under any buyback programme during 3 years preceding the date of Public Announcement (i.e. 31 May, 2022)
- 14.3 As on the date of the Public Announcement (i.e. 31 May, 2022) there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.
- 14.4 The shareholding pattern of the Company, Pre-Buyback, as on date of the Record Date i.e June 15, 2022, as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre-Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing Equity Share Capital	No. of Equity Shares	% of the existing Equity Share Capital
Promoters and Promoter Group	1,56,24,730	64.37	1,56,24,730	66.90
Foreign Investors (including Non-Resident Indians, FIIs, FPIs and Foreign Mutual Funds)	2,27,735	0.93	[*]	[*]
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	2600	0.01		
Other (Public, Public bodies Corporate etc.)	84,15,835	34.69		
Total	2,42,70,900	100.00	2,33,53,220	100

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

- 14.5 Promoters and Promoter Group of the Company as referred in paragraph 9.4 have expressed their intention in the board meeting dated May 30, 2022 not to participate in the Buyback Offer (in accordance with the declaration provided by them), the aggregate shareholding of the Promoters and Promoter Group, post Buyback will increase to 66.90% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will remain constant i.e 64.37% of the post Buyback equity share capital of the Company if none of the public shareholders participate in the Buyback Offer.
- 14.6 Subsequent to the date of Board Meeting, till the date of this Letter of Offer, the Promoters and Promoter Group of the Company have not entered into any transactions in relation to the Equity Shares of the Company.
- 14.7 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act,

2013.

- 14.8 The Company shall not issue any Equity Shares including by way of bonus, from the date of publication of the Public Announcement till the date of closure of this Buyback.

15. BRIEF INFORMATION ABOUT THE COMPANY

- 15.1 The Company was incorporated as Asthan Capital & Management Services Private Limited on 30 September 1991 under the Companies Act, 1956. Subsequently, the name of the Company was changed to: - a) Allianz Capital & Management Services Limited on 5th November 1992 b) Almondz Capital & Management Services Limited on 22nd May 2007 c) Avonmore Capital & Management Services Limited on 13 August 2013. The Company's registered office as well its Corporate Office is situated at F-33/3, Okhla Industrial Area Phase-II New Delhi. The Company's Corporate Identity Number (CIN) is L67190DL1991PLC045857.
- 15.2 The Company is registered with the Reserve Bank of India to carry on the Business of a Non-Banking Financial Institution without accepting public deposits and presently, the company is involved in NBFC activities and sub-broker advisory services.
- 15.3 The Equity Shares of the Company are listed on BSE.
- 15.4 Performance of the Company in brief:
- For the financial years ended March 31, 2022, 2021 and 2020, the Company recorded total revenue of ₹ 415.26 Lakh, ₹ 321.35 Lakh and ₹ 257.20 Lakh respectively and Profit after tax of ₹ 137.76 Lakh, ₹ 46.73 Lakh and ₹ 65.22 Lakh, respectively on standalone basis; and
 - For the financial years ended March 31, 2022, 2021 and 2020, the Company recorded total revenue of ₹ 8719.44 Lakh, ₹ 7201.70 Lakh, and ₹ 7218.71 Lakh respectively and Profit after tax of ₹ 4045.02 Lakh, ₹ 2977.74 Lakh and ₹ 1805.27 Lakh, respectively on Consolidated basis.

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

Date of Issue/ Allotment	No. of Equity Share s	Face Valu e (₹)	Issue price (₹)	Consideratio n in Cash /other than cash	Cumulative No. of Equity Shares	Equity Share Capital (₹)	Cumulative Equity Share Capital (₹)	Reason for allotment
30.09.1991	20	10	10	Cash	20	200	200	Subscription to Memorandum and Articles of Association
15.05.1992	50	10	10	Cash	70	500	700	Allotment through Preferential Issue
15.12.1992	1,99,930	10	10	Cash	2,00,000	19,99,300	20,00,000	Allotment through Preferential Issue
29.01.1993	8,00,000	10	10	Cash	10,00,000	80,00,000	1,00,00,000	Allotment through Preferential Issue
30.06.1993	6,00,000	10	10	Cash	16,00,000	60,00,000	1,60,00,000	Allotment through Preferential Issue
04.05.1994	16,00,000	10	20	Cash	32,00,000	1,60,00,000	320,00,000	Public Issue
20.05.1996	4122700	10	40	Cash	73,22,700	4,12,27,000	7,32,27,000	Public cum /Rights Issue
08.06.1997	2,69,491	10	25	Cash	75,92,191*	26,94,910	7,59,21,910	Conversion of Fully paid Zero Interest Unsecured Fully Convertible Debentures of Rs. 25/- Each
29.09.1997	(37,31,700)	10	0	Forfeiture of Shares	38,60,491	(3,73,17,000)	3,86,04,910	Forfeiture of Partly paid up Equity Shares
30.09.1998	7,189	10	25	Cash	38,67,680	71,890	3,86,76,800	Conversion of Fully paid Zero Interest Unsecured Fully Convertible Debentures of Rs. 25/- Each
29.03.2004	23,52,320	10	10	Cash	62,20,000**	2,35,23,200	6,22,00,000	Re-Issuance of Forfeited Shares
19.08.2006	4,65,000	10	21	Cash	66,85,000	46,50,000	6,68,50,000	Preferential Allotment
30.03.2007	28,25,000	10	37.76	Cash	95,10,000	2,82,50,000	9,51,00,000	Preferential Allotment
19.09.2007	5,05,900	10	61	Cash	1,00,15,900	50,59,000	10,01,59,000	Preferential Allotment

10.05.2010	17,55,000	10	10	Cash	1,17,70,900	1,75,50,000	11,77,09,000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis
20.11.2010	20,00,000	10	23.54	Cash	1,37,70,900	2,00,00,000	13,77,09,000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis
31.03.2014	75,00,000	10	20	Cash	2,12,70,900	7,50,00,000	21,27,09,000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis
05.09.2014	30,00,000	10	25	Cash	2,42,70,900	3,00,00,000	24,27,09,000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis

*out of 75,92,191 shares, 37,31,700 were forfeited in.

** out of 37,31,700 shares, 23,52,320 were re-issued in March 29, 2004.

Note: As on date 13,79,380 shares are lying forfeited in the books of accounts.

15.6 The Board of Directors of the Company as on the date of Publication of Public Announcement (i.e. June 01, 2022) was as under:

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Director on the Board since:	Other Directorships
1.	Mr. Govind Prasad Agrawal Qualification: Fellow Company Secretary Occupation: Professional Age: 67 DIN: 00008429	Non- Executive Non- Independent Director, Chairperson	19 TH March 2007	<ul style="list-style-type: none"> Yarntex Exports Limited Anemone Holdings Private Limited Rama Vision Limited Margo Finance Limited Rini Corporate Services Private Limited
2.	Mr. Ashok Kumar Gupta Qualification: Fellow Company Secretary and B.com Occupation: Professional Age: 56 DIN: 02590928	Managing Director	31 st December 2011	<ul style="list-style-type: none"> Almondz Infosystem Private Limited Red Solutions Private Limited Sunlight Software Private Limited Anemone Holdings Private Limited Latitude 23 Communications Private Limited Glow Apparels Private Limited
3.	Ms. Ashu Gupta Qualification: L.L.B from Delhi University & Company Secretary Occupation: Professional Age: 52 DIN: 00007836	Non- Executive Non- Independent Director	20 th March 2015	<ul style="list-style-type: none"> None
4.	Mr. Shyam Sundar Lal Gupta Qualification: M.com, LLB, CAIIB Occupation: Advocate at Supreme Court of India and the Delhi High Court Age: 88 DIN: 00044635	Non- Executive Independent Director	30 TH July 2008	<ul style="list-style-type: none"> Rama Vision Limited Insta Power Limited
5.	Mr. Ajay Kumar Qualification: IAS Officer Occupation: Ex-IAS Officer Age: 71 DIN: 01954049	Non- Executive Independent Director	12 th Nov 2013	<ul style="list-style-type: none"> Almondz Finanz Limited Almondz Global Securities Limited Almondz Global Infra Consultant Limited
6.	Mr. Bhupinder Singh Qualification: MBA, Fellow British Institute of Management (UK) and Fellow Institute of Directors (UK) Occupation: Professional Age: 82 DIN: 00062754	Non- Executive Independent Director	27 th September 2019	<ul style="list-style-type: none"> Panacea Biotec Limited Emmsons International Limited SMW Entertainers Private Limited

- 15.7 There are no changes in the Board of Directors during the last 3 years from the date of the publication of the Public Announcement (i.e. June 01, 2022) except as mentioned below:

S. No.	Name	Appointment / Cessation	Effective Date	Reason
1.	Mr. Ajay Kumar	Re-appointment	September 27, 2019	Re-appointment as Independent Director for a second term of 5 Consecutive years.
2.	Mr. Shyam Sunder Lal Gupta	Re-appointment	September 27, 2019	Re-appointment as Independent Director for a second term of 5 Consecutive years.
3.	Mr. Bhupinder Singh	Appointment	September 27, 2019	Appointment as an Independent Director for a first term of 5 years
4.	Mr. Chand Krishna Tikku	Cessation	September 28, 2019	Resignation
5.	Mr. Ashok Kumar Gupta	Appointment	December 31, 2021	Re-appointment as Managing Director for a term of 5 Consecutive years

- 15.8 The buyback will not result in any benefit to the Directors of the Company/ Promoters and Promoter Group and person in control of the Company/ group companies. As their intention is not to participate in the Buyback but the change in their shareholding as per the response received in the Buyback will take place, as a result of the extinguishment of Equity Shares which will lead to reduction in the Equity Share Capital post Buyback.

16. FINANCIAL INFORMATION ABOUT THE COMPANY

- 16.1 The salient financial information of the Company as extracted from the audited standalone financial statement for last three financial years being March 31, 2022, March 31, 2021 and March 31, 2020 are tabulated below:

(₹ in Lakhs)			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	(Audited)	(Audited)	(Audited)
Revenue from Operations	3,65.05	3,01.50	2,35.43
Other Income	50.21	19.85	21.77
Total Income	4,15.26	3,21.35	2,57.20
Total Expenses excluding Interest and Depreciation	1,75.51	2,20.17	1,71.75
Interest	48.14	43.23	3.88
Depreciation	0.56	0.20	0.17
Profit Before Tax	1,91.04	57.75	81.40
Profit/ (Loss) After Tax	1,37.76	46.73	65.22
Paid-up Equity Share Capital	24,92.17	24,92.17	24,92.09
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off	78,13.99	76,74.44	76,25.87
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	103,06.16	101,66.61	101,18.04
Total Debt, excluding working capital Loans	41.35	10,02.24	43.51

- 16.2 Financial Ratios for the last three financial years viz. Fiscal 2022, 2021 and 2020 based on standalone audited financial statements are as under:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings per Share (₹) *	0.54	0.19	0.27
Debt/ Equity Ratio	0.00	0.10	0.00
Book Value (₹ per Share) *	42.46	41.89	41.69
Return on Net worth (%)	1.35%	0.46%	0.64%

Notes:

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

Key Ratios basis:

Earnings per Share- Basic (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares Subscribed

Return on Net worth excluding revaluation reserves (%)	Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth
Earnings per share and Book value per share	Earnings per share and Book value per share and computed based on face value of INR 10 per share for the years ended March 31, 2020, March 31, 2021 and March 31, 2022.

- 16.3 The salient financial information of the Company as extracted from the audited consolidated financial statement for last three financial years being March 31, 2022, March 31, 2021 and March 31, 2020 are given below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	(Audited)	(Audited)	(Audited)
Revenue from Operations	8,369.43	6,754.60	6,797.92
Other Income	350.01	447.09	420.79
Total Income	8,719.44	7,201.70	7,218.71
Total Expenses excluding Interest and Depreciation	6,243.89	5,668.52	6,091.65
Interest	510.74	239.98	197.07
Depreciation	246.59	275.17	351.08
Profit Before Tax	4,546.99	3,239.13	1,621.10
Profit/ (Loss) After Tax	4,045.02	2,977.74	1,805.27
Paid-up Equity Share Capital	2,492.17	2,492.17	2,492.17
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off	18,133.11	14,866.17	12,604.68
Minority Interest	7,800.64	6,988.28	6,167.73
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	28,425.92	24,346.62	21,264.59
Total Debt, excluding working capital Loans	1,881.32	2,128.94	2,826.04

- 16.4 Financial Ratios for the last three financial years viz. Fiscal 2022, 2021 and 2020 audited consolidated financial statements are as under:

Particulars	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2020 (Audited)
Earnings per Share (₹) *	13.38	8.51	7.32
Debt/ Equity Ratio	0.16	0.15	0.13
Book Value (₹ per Share) *	117.12	100.31	87.61
Return on Net worth (%)	14.23%	12.23%	8.49%

Notes:

Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure

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

Key Ratios basis:

Earnings per Share- Basic (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares Subscribed
Return on Net worth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth
Earnings per share and Bookvalue per share	Earnings per share and Book value per share and computed based on face value of INR 10 per share for the years ended March 31, 2020 and March 31, 2021 and for the year ended March 31, 2022.

- 16.5 Buyback is in compliance with Regulation 4(ii) of Buyback Regulations on both standalones as well as consolidated basis
- 16.6 The Company shall comply with the SEBI Takeover Regulations, as may be applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the rules made thereunder.

17. STOCK MARKET DATA

- 17.1 The Company's Equity Shares are currently traded under the trading code(s) 511589 at BSE.

- 17.2 The Company's Equity Shares are listed on BSE, the high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement (i.e. June 01 2022) from Dec 01, 2021 to May 31, 2022 and the corresponding volumes on the BSE is as follows:

For BSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume of shares traded in the period
PRECEDING 3 YEARS								
April 1, 2021 – March 31, 2022	96.05	March 24, 2022	29,162	16.3	April 5, 2021	9949	47.57	15139674
April 1, 2020 – March 31, 2021	22.5	March 2, 2021	23,946	7.13	May 05, 2020	618	12.43	3983918
April 1, 2019 – March 31, 2020	16.8	April 09, 2019	20,051	6.5	March 23, 2020	16,654	11.45	3420871
PRECEDING 6 MONTHS								
November, 2021	52.85	November 26, 2021	1,24,647	40.2	November 11, 2021	27733	46.82	831436
December, 2021	77.8	December 28, 2021	57,160	48	December 01, 2021	52990	67.54	2330272
January, 2022	84.9	January 19, 2022	1,33,872	62	January 13, 2022	30312	68.97	722154
February, 2022	77.8	February 17, 2022	108228	60	February 24, 2022	71338	69.10	671819
March, 2022	96.05	March 24, 2022	29162	67.9	March 07, 2022	34788	81.83	949276
April, 2022	104.75	April 11, 2022	49900	81	25 April, 2022	9012	89.50	402337

Source: www.bseindia.com

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

- 17.3 The closing market price of the Equity Shares of the Company:

- As on May 27, 2022 i.e. the trading day before May 30, 2022, being the date of Board Meeting approving the Buyback was ₹ 72.90 per Equity Share on BSE.
- As on May 30, 2022 i.e. the date of Board Meeting approving the Buyback was ₹ 79.75 per Equity Share on BSE.
- As on May 31, 2022 i.e. the trading day immediately after May 30, 2022, being the date of Board Meeting approving the Buyback was ₹ 78.25 per Equity Share on BSE.
- As on June 01, 2022, i.e., the date of publication of Public Announcement was issued was ₹ 79.70 per Equity Share on BSE.

18. DETAILS OF STATUTORY APPROVALS

- The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA and the rules and regulations framed thereunder read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI, subject to the adherence to pricing guidelines, documentation and reporting requirements for such transfers as specified by RBI.
- By agreeing to participate in the Buyback, the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

- 18.4 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.
- 18.5 As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

19. DETAILS OF REGISTRAR TO THE BUYBACK OFFER AND INVESTOR SERVICE CENTER

Eligible Shareholders holding equity shares who wish to tender their equity shares in the Buyback Offer can send either themselves or through shareholder Broker by registered post or courier or hand deliver the Tender Form, TRS, Physical Share Certificate (for physical shareholders only) and other documents by super scribing the envelope as "ACMS Buyback Offer 2022" to the Registrar to the Buyback Offer at their below office, so that the same are received not later than 2 (two) days from the Buyback Closing Date i.e. latest by July 18, 2022 by 5.00 pm.



Beetal Financial & Computer Services Pvt. Ltd.

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukh Das Mandir, New Delhi- 110062

Contact Person: Mr. Punit Mittal

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Fax No.: +91 11- 29961284

Email: beetal@beetalfinancial.com

Investors Grievance e-mail - beetalrta@gmail.com

Website: www.beetalfinancial.com

SEBI Registration Number: INR000000262

Validity Period: Permanent Registration

CIN: U67120DL1993PTC052486

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

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

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. AFTER THE CONFIRMATION OF LIEN MARKED IN DEMAT ACCOUNT OF THE ELIGIBLE SHAREHOLDERS TO THE CLEARING CORPORATION AND A VALID BID IN THE EXCHANGE BIDDING SYSTEM, THE BID FOR BUY-BACK SHALL BE DEEMED TO HAVE BEEN ACCEPTED FOR ELIGIBLE SHAREHOLDERS HOLDING THE EQUITY SHARES IN DEMATERIALIZED FORM.

20. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 20.1 The Company proposes to buyback not exceeding 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty only) Equity Shares from the Eligible Shareholders of the Company, on a proportionate basis, through the Tender Offer process at a price of ₹ 95/- (Rupees Ninety-Five only) per Equity Share, payable in cash for an aggregate consideration not exceeding of ₹ 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine Thousand Six Hundred only). The maximum number of Equity Shares proposed to be bought back represents 3.78% of the total number of Equity Shares in the paid-up share capital of the Company. The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder, in accordance with Article 14 of the Articles of Association of the Company and the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc. The Board of Directors approved the Buyback at its meeting held on May 30, 2022. The Buyback Offer Size represents 9.999% and 5.64% of the aggregate of the fully paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements respectively of the Company for the financial year ended March 31, 2022 and is within the limit of 10% of aggregate of the fully paid-up share capital and free reserves as per the last audited standalone and consolidated financials of the Company as on March 31, 2022.
- 20.2 The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.
- 20.3 The aggregate shareholding of the Promoters and Promoter Group as on Public Announcement i.e. June 01, 2022 is 1,56,24,730 (One Crore Fifty Six Lakh Twenty Four Thousand Seven Hundred Thirty Only) Equity Shares, which represents 64.37% of the

existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer process, the Promoters and the Promoter Group of the company has the option to participate in the Buyback. In this regards, Promoters and Promoter Group of the Company have expressed their intention in the board meeting dated May 30, 2022 not to participate in the Buyback Offer. The Promoters and Promoter Group of the Company are already in control over the Company and therefore such increase in voting rights of the Promoters and Promoter Group will not result in any change in control over the Company.

20.4 In this regards, Promoters and Promoter Group of the Company (in accordance with the declaration provided by them), the aggregate shareholding of the Promoters and Promoter Group, post Buyback will increase to 66.90% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will remain constant i.e 64.37% of the post Buyback equity share capital of the Company if none of the public shareholders participate in the Buyback Offer.

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

- a. The Board of Directors of the Company in its meeting held on May 30, 2022 announced Wednesday, June 15, 2022 as the record date for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback.
- b. The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
- c. **Reserved category for Small Shareholders ("Reserved Category"); and**
- d. **General category for all Eligible Shareholders other than Small Shareholders ("General Category")**
- e. As defined in the Buyback Regulations, a "Small Shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on the stock exchanges in which the highest trading volume as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakh only). As on the Record Date, the volume of Shares traded on BSE was 48504 shares. Accordingly, BSE being the only exchange, the closing price was ₹ 72.90 and hence all Shareholders holding not more than 2743 Equity Shares as on the Record Date are classified as "Small Shareholders" for the purpose of the Buyback Offer.
- f. Based on the above definition, there are 6300 Small Shareholders with aggregate shareholding of 1380266 Shares, as on Record Date, which constitutes 5.69% of the outstanding paid up equity share capital of the Company and 150.41 % of the number of 917680 Equity Shares which are proposed to be bought back as part of this Buyback Offer.
- g. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 137652 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 9,17,680 Equity Shares which works out to 1,37,652 Equity Shares; or**
 - ii. **The number of Equity Shares entitled as per their shareholding as on Record Date [i.e. $\frac{1380266}{24270900} \times 917680$] which works out to [52187] Equity Shares.**
- h. Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 137652 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 780028 Equity Shares.
- i. Based on the above entitlements, the Ratio of Buyback for both categories are decided as below:

Category	Ratio of Buyback
Reserved Category	36 Equity Shares out of every 361 fully paid-up Equity Shares held on the Record Date
General Category	5 Equity Shares out of every 147 fully paid-up Equity Shares held on the Record Date

**The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 0.0997286003% and General category for all other Eligible Shareholders is 0.034076295 %.*

20.6 Fractional Entitlements

- a. If the Buyback Entitlement, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 (one) Equity Share) then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback Offer, for both categories of Eligible Shareholders.
- b. On account of ignoring the fractional entitlement, those Small Shareholders who hold 10 or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Shareholder to the extent possible and permissible.

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

- a. 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:
- b. Full acceptance (i.e. 100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their

Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

- c. Post the acceptance as described in paragraph 20.6.1 above, in case, there are any Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- d. Post the acceptance as described in paragraph 20.6.1 and 20.6.2 above, in case, there are any validly tendered unaccepted Shares in the Reserved Category ("Reserved Category Additional Shares") and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 20.6.2 above, shall be reduced by one.
- e. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 20.6.3 above, will be made as follows:
 - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (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.
 - 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 less than 0.50 (point five zero), then the fraction shall be ignored.
 - In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors / 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 Clause 20 of this Letter of Offer.

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

- a. 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:
- b. Full Acceptance (i.e.100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- c. Post the acceptance as described in paragraph 20.7.1 above, in case, there are any validly tendered unaccepted Shares in the General Category ("General Category Additional Shares") and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholders divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.
- d. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 20.7.2 above, will be made as follows:
 - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is less than 0.50, then the fraction shall be ignored.
 - In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors / 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 Clause 19 of this Letter of Offer.

20.9 Basis of Acceptance of Shares between Categories

- a. After acceptances of tenders, as mentioned above, in case, there are any Shares left to be bought back in one category ("Partially filled Category"), and there are additional unaccepted validly tendered Shares ("Further Additional Shares") in the second Category ("Over Tendered Category"), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid Acceptances per Shareholder shall be equal to the Further Additional Shares validly tendered by an Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially filled Category.
- b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Shares before acceptance in paragraph 20.8(a) above out of the Shares left to be bought back in the Partially Filled Category,

provided no acceptance could take place from such Shareholder in accordance with paragraph 20.6.

c. Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 20.8(a) above:

- For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.
- In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors / 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 Clause 19 of this Letter of Offer.

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

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

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

20.12 In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors or 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 Clause 19 of this Letter of Offer.

20.13 Clubbing of Entitlements

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

The shareholding of institutional investors like mutual funds, pension funds / trusts, 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.

21. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

21.1 The Buyback is open to all Eligible Shareholders of the Company holding Shares as on the Record Date as per the records made available to the Company by the Depositories/registrar as on the Record Date. The Company proposes to implement the Buyback through the tender offer process, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback and additional disclosures as specified in the SEBI Buyback Regulations, will be emailed to Eligible Shareholders whose names appear in the register of members of the Company, or who are beneficial owners of Equity Shares as per the records on the Record Date.

21.2 The Eligible Shareholders who have registered their email IDs with the depositories/the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email IDs with the depositories/the Company, shall be dispatched the Letter of Offer through physical mode by registered post/speed post/courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in sub-paragraph 21.13 below.

21.3 The non-receipt of Letter of Offer by, or accidental omission to mail the Letter of Offer to any person who is eligible to receive the same to participate in the Buyback, shall not invalidate the Buyback Offer in any way.

21.4 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

21.5 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.

21.6 Eligible Shareholder's participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get

cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also tender a part of their Buyback Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 20 (Process and Methodology for the Buyback) of this Letter of Offer.

- 21.7 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares, if any tendered by Eligible Shareholders will be accepted as per paragraph 20.
- 21.8 Eligible Shareholders will have to tender the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar, and the such tendered shares may be accepted subject to appropriate verification and validation by the Registrar.
- 21.9 As elaborated under Paragraph 20.4(b) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories:
 - 21.9.1 Reserved Category for Small Shareholders and
 - 21.9.2 the General Category for other Eligible Shareholders, and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 21.10 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.
- 21.11 The Buyback shall be implemented by the Company using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, circular number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, and circular number SEBI/HO/CFD/DCR- III/CIR/P/2021/615 dated August 13, 2021 following the procedure prescribed in the Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board (including the Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 21.12 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.
- 21.13 **In case of non-receipt of Letter of Offer and Tender Form**
 - If Eligible Shareholder(s) holding Equity shares in dematerialized form, who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email ID mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, the Company shall undertake reasonable steps to send the Letter of Offer and the Tender Form either physically by an expedited commercial courier service/ registered post or by any other permissible mode of communication (to the extent possible). An Eligible Shareholder may participate in the Offer by downloading the Letter of Offer and the Tender Form from the website of the Company at www.avonmorecapital.in, at the website of the manger to the Buyback offer at www.ccvindia.com , Registrar to the Buyback at www.beetalfinancial.com and is expected to be available at the website of SEBI at www.sebi.gov.in and the Stock Exchange at www.bseindia.com or send an application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.
 - An Eligible Shareholder holding Equity Shares in physical form, may participate in the Buyback by downloading the Letter of Offer and Tender Form from the website of the Company at www.avonmorecapital.in ,at the website of the manger to the Buyback offer at www.ccvindia.com , Registrar to the Buyback offer at www.beetalfinancial.com and is expected to be available at the website of SEBI at www.sebi.gov.in and the Stock Exchange at www.bseindia.com or by providing their application in writing on plain paper signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, bank account details together with the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed Form SH-4 in favour of the Company. The transfer form (SH-4) can be downloaded from the Company’s website at www.avonmorecapital.in Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in 20.26 below), reach the Registrar to the Buyback latest by Wednesday, July 18, 2022 (by 5:00 p.m.). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar to the Buyback or the Company or are not in the same order (although attested), the Company or the Registrar to the Buyback shall have a right to reject such applications. For further process, please refer to section 20.26 below titled as “Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in the

Physical form” of this Letter of Offer.

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

- 21.14 The Company shall accept the Equity Shares validly tendered by the Eligible Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the “plain paper” option as mentioned above are advised to confirm their Buyback Entitlement from the Registrar to the Buyback, before participating in the Buyback.
- 21.15 For implementation of the Buyback, the Company has appointed **DB (International) Stock Brokers Limited** as the registered broker to the Company (the “**Company's Broker**”) through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company’s Broker are as follows:



DB (International) Stock Brokers Limited.

Registered Address: 114, New Delhi House, 27, Barakhamba Road, New Delhi- 110001

Contact Person: Mr. Shalabh Bansal

Tel: 011-43606162, 0120-4823300, 09811118493

Email: compliance@dbonline.in, accounts@dbonline.in

Website: www.dbonline.in

SEBI Registration Number: INZ000179035

CIN: L67120GJ1992PLC121278

- 21.16 The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Shareholder Broker**”).
- 21.17 In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick Unique Client Code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company’s Broker to bid by using quick UCC facility.
- 21.18 The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case of Eligible Shareholder being an Individual or HUF

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

Forms required:

- Central Know Your Client (CKYC) form
- Know Your Client (KYC) form
- Documents required (all documents self-attested):
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Dematstatement)

If Eligible Shareholder is not registered with KRA:

Forms required:

- CKYC form
- KRA form
- KYC form

Documents required (all documents self-attested):

- PAN card copy

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

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

In case of Eligible Shareholder other than Individual and HUF:

If Eligible Shareholder is KRA registered:

Form required:

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

If Eligible Shareholder is not KRA registered:

Forms required:

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

Additionally, registered Equity Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in paragraph 20.26. It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

- 21.19 At the beginning of the Tendering Period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Shareholders.
- 21.20 Shareholder Broker can enter orders for dematerialized Shares as well as physical Shares.
- 21.21 Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Eligible Shareholder for selling the Shares shall be clubbed and considered as "one" bid for the purposes of Acceptance.

- 21.22 The cumulative quantity tendered shall be made available on BSE website- www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 21.23 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 21.24 The acceptance of the Offer for Buyback made by the Company is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of the Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of documents during transit. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 21.25 **Procedure to be followed by Eligible Shareholders holding Equity Shares in the electronic/dematerialized form**

- a. Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback. The Shareholder Broker would be required to place a bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE.
- b. The lien shall be marked in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of Equity Shares marked as lien in the demat account of the Eligible Shareholders shall be provided by Depositories to the Clearing Corporation.
- c. In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buy-back shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer ("IDT") instruction shall be initiated by shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.
- d. For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period (Buyback Closing Date). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- e. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, Number of Equity Shares tendered etc.

In case of demat Equity Shares, submission of Tender Form and TRS is not required but if the lien is marked successfully in the Depository System and a valid bid in the exchange bidding system, the bid for the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Shares in demat form.

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

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):

- a. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
- b. Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and
- c. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

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

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

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

- f. The Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares
- g. Original share certificates
- h. Valid share transfer form(s) (i.e. form SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company.
- i. Self-attested copy of the PAN Card(s) of all Shareholders

- j. Any other relevant documents such as (but not limited to):
Duly attested Power of Attorney if any person other than the Eligible Shareholder has signed the relevant Tender Form
Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased
Necessary corporate authorizations, such as Board Resolutions etc., in case of companies and
- k. In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.

Any Shareholder Broker who places a bid for physical Equity Shares, is required to deliver Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in Paragraph hereinabove) either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer latest by Monday, July 18, 2022 (by 5 PM). The envelope should be superscribed as "Avonmore Capital & Management Services Limited Buyback Offer 2022". One copy of the TRS will be retained by Registrar to the Buyback Offer and it will provide acknowledgement of the same to the Shareholder Broker.

Eligible Shareholders holding physical shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. Registrar to the Buyback Offer will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as "unconfirmed physical bids". Once Registrar to the Buyback Offer confirms the bids, they will be treated as "Confirmed Bids".

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

21.27 Additional requirements in respect of tenders by Non-Resident Shareholders

- a. While tendering their Equity Shares under the Buyback Offer, all Eligible Shareholders being Non-resident Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- b. FII/FPI shareholders should also enclose a copy of their SEBI registration certificate.
- c. In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholders should enclose documents in support of the same. Such documents should include:
 - a copy of the permission received by them from RBI at the time of the original acquisition of Shares
 - a letter from the Shareholder's authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-resident shareholder from the appropriate account as specified by RBI in its approval.
 - Any other document which evidences reparability of sale proceeds in respect of the tendered Shares.

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

- d. If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback Offer are liable to be rejected.

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

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

21.30 Method of Settlement

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.
- (ii) Details in respect of shareholder's entitlement for the Buy-back shall be provided to Clearing Corporation by

- Company / Registrar to Buy-back. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- (iii) The Eligible Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
 - (iv) In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with Bid accepted detail as received from the Company or the Registrar to the Buy-back. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the Equity Shares as per the communication/message received from target depository to the extent of accepted bid Equity Shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
 - (v) The Company will transfer the consideration pertaining to the Buy-back to the Clearing Corporation's bank account through the Company's Broker as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under the Buy-back, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders. If bank account details of any Eligible Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or relevant Bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Member for onward transfer to such Eligible Shareholder holding Equity Shares in dematerialized form.
 - (vi) In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
 - (vii) For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account. On settlement date, all blocked Equity Shares mentioned in accepted bid shall be transferred to Clearing Corporation.
 - (viii) The Equity Shares bought back in the dematerialized form would be transferred directly to the escrow demat account of the Company ("**Company Demat Escrow Account**") provided it is indicated by the Company's Brokers or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
 - (ix) Excess Equity Shares or unaccepted Equity Shares, in dematerialized 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 Seller Member's depository pool account for onward transfer to the respective Eligible Shareholder. The shareholders of the demat Equity Shares will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in the Buy-back Offer.
 - (x) Any excess Equity Shares, in physical form, pursuant to proportionate acceptance / rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in the physical form.
 - (xi) The Seller Member would issue contract note for the Equity Shares accepted under the Buy-back and will unblock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.
 - (xii) Equity Shareholders who intend to participate in the Buy-back should consult their respective Seller Broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Broker for tendering Equity Shares in the Buy-back (secondary market transaction). Therefore, the Buy-back consideration received by the selling Eligible Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage). The Manager to the Buy-back Offer and the Company accept no responsibility to bear or pay any additional cost, applicable taxes, charges and expenses (including brokerage) levied by the Seller Broker, and such costs will be borne solely by the Eligible Shareholders.

- (xiii) The Equity Shares lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buy-back Regulations.

ELIGIBLE SHAREHOLDERS WHO HAVE DEMATERIALIZED THEIR PHYSICAL EQUITY SHARES POST RECORD DATE AND TENDERED THEIR DEMAT EQUITY SHARES IN THE BUY-BACK MAY DELIVER THE TENDER FORM DULY SIGNED (BY ALL ELIGIBLE SHAREHOLDERS IN CASE SHARES ARE IN JOINT NAMES) IN THE SAME ORDER IN WHICH THEY HOLD THE EQUITY SHARES, ALONG WITH TRS GENERATED BY THE STOCK EXCHANGE BIDDING SYSTEM UPON PLACING OF A BID, EITHER BY REGISTERED POST, SPEED POST OR COURIER OR HAND DELIVERY TO THE REGISTRAR TO THE BUY-BACK AT THE ABOVE ADDRESS, SO THAT THE SAME ARE RECEIVED NOT LATER THAN MONDAY, JULY 18, 2022 BY 5:00 P.M. THE ENVELOPE SHOULD BE SUPERSCRIBED AS "AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED- BUY-BACK 2022".

In case any Eligible Shareholder initiates dematerialization of shares after Record Date/receipt of this Letter of Offer, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-back before Buy-back Closing Date.

21.31 For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares:

Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FPIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.

FII/FPI Shareholder should enclose a copy of their SEBI registration certificate.

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

If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buy-back are liable to be rejected.

21.32 Special Account opened with the Clearing Corporation

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

21.33 Rejection Criteria

The Equity Shares tendered by Eligible Shareholders holding shares in dematerialized form would be liable to be rejected on the following grounds:

- a. the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or
- b. if there is a name mismatch in the dematerialised account of the Shareholder; or
- c. in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding Physical Shares as on the Record Date and have placed their bid in demat form; or
- d. where there exists any restraint order of a Court/any other competent authority for transfer/disposal/sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

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

- a. The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Monday, July 18, 2022 5:00 p.m.;
- b. If the share certificate is not enclosed with the Tender Form or if there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company; or
- c. If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or
- d. If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e. In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar; or

- f. The documents mentioned in instruction of the Tender Form for physical Equity Shareholders are not received by the Registrar before the close of business hours on or before Monday, July 18, 2022 by 5:00 p.m.; or
- g. Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

22. NOTE ON TAXATION

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

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

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

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

1. GENERAL

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

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. Vide Finance Act, 2020, certain non-resident individuals are deemed to be resident in India upon triggering of certain conditions. Deemed residents would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled in India.

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

2. CLASSIFICATION OF SHAREHOLDERS

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

a. Resident Shareholders being:

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

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

c. Non-Resident Shareholders being:

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

- Company
- Other than Company

3. BUYBACK OF SHARES

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

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

As per Section 115QA, listed companies making a public announcement of Buyback of shares on or after 5th July 2019 are required to pay an additional Tax @ 20%, plus Surcharge @ 12%, plus Health & Education Cess @4% on the Distributed Income.

Distributed Income is defined under section 115QA to include Consideration paid by the company on buyback of Shares as reduced by the amount which was received by the company on issue of such shares, determined in the manner specified in Rule 40BB.

The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit therefor shall be claimed by the company or by any other person in respect of the amount of tax so paid.

No deduction under any other provision of this Act shall be allowed to the company or a shareholder in respect of the income which has been charged to tax.

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

A. Resident Shareholders or Deemed Resident Shareholders

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

B. Non-Resident Shareholders

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

4. TAX DEDUCTION AT SOURCE

Currently, there are no provisions for tax deduction at source in respect of income earned from transfer/ buy-back of shares in case of resident shareholders/ deemed resident shareholders.

Given that income arising on account of the buy-back of shares is exempt from tax under Section 10(34A) of ITA, the same would not be subject to tax deduction at source for non-resident shareholders.

5. SECURITIES TRANSACTION TAX

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

Caveat:

The 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.

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 as set out above.

The summary of the tax considerations as above is based on the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

In view of the specific nature of tax consequences, shareholders who are not tax residents of India are required to consult their tax advisors for the applicable tax and the appropriate course of action that they should take considering the provisions of the relevant Country or State tax law and provisions of DTAA where applicable.

23. DECLARATION BY THE BOARD OF DIRECTORS

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

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. May 30, 2022 and has confirmed that:

- a. The Board of Directors of the Company confirms that no defaults have been made or subsisting in the repayment of deposits accepted either before or after the commencement of the Companies Act, 2013, interest payment thereon, redemption of debentures or interest payment thereon redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loans or interest payable thereon to any financial institutions or banking company.
- b. The Board of Directors of the Company confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
 - Immediately following the date of the Board Meeting held on May 30, 2022 and the date of this Letter of Offer, there will be no grounds on which the Company can be found unable to pay its debts;
 - As regards the Company's prospects for the year immediately following the date of the Board Meeting and the date of this Letter of Offer, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback and within a period of one year from the date of this Letter of Offer, as the case may be;
 - In forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or the Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities.

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

Sd/- Ashok Kumar Gupta Managing Director DIN: 02590928	Sd/- Govind Prasad Agarwal Director DIN:00008429
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24. REPORT BY THE COMPANY'S STATUTORY AUDITORS

The text of the report dated May 30, 2022 received from Mohan Gupta & Company, Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

"To,
The Board of Directors
Avonmore Capital & Management Services Limited
F-33/3, Okhla Industrial Area Phase-II South Delhi
New Delhi- 110020

May 30, 2022

Dear Sirs / Madam,

Subject: Independent Auditor's report in respect of proposed buyback of equity shares by Avonmore Capital & Management Services Limited as per the Companies Act, 2013 (the "Act"), as amended and Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended

1. This Report is issued in accordance with the terms of our engagement letter dated May 30, 2022. The Board of Directors of Avonmore Capital & Management Services Limited ("the Company") have approved a proposed buy-back of Equity Shares by the Company at its meeting held on May 30, 2022, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") read with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("SEBI Buy-back Regulations").

2. The accompanying Statement of permissible capital payment (including premium) ("Annexure A") as at March 31, 2022 (hereinafter referred to as the "Statement") is prepared by the Management of the Company.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buy-back 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. In the absence of any definition of or guideline for "Insolvent" in the Buy-back Regulations, the Company has considered a situation for not being able to continue as going concern (taking reference from Standard on Auditing 570 (Revised) issued by Institute of Chartered Accountants of India) for a period of 1 year from May 20, 2022 as "Insolvent".

Auditors' Responsibility

4. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance whether:

(i) we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2022 which were approved by the Board of Directors of the Company at their meeting held on May 30, 2022, and are to be adopted by the shareholders of the Company at the ensuing annual general meeting;

(ii) the amount of the permissible capital payment (including premium) as stated in Annexure A for the proposed buy-back of equity shares is properly determined considering the audited standalone and consolidated financial statements in accordance with Section 68(2)(c) of the Act and SEBI Buy-back Regulations, as applicable; and

(iii) the Board of Directors of the Company in their meeting dated May 30, 2022, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing the board resolution dated May 30, 2022.

5. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. Within the scope of our work, we performed the following procedures:

i) Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2)(c) of the Act;

ii) Examined authorization for buyback from the Articles of Association of the Company;

iii) Inquired into the state of affairs of the Company with reference to the audited standalone and consolidated financial statements for the year ended March 31, 2022;

iv) Verified the arithmetical accuracy of the amounts mentioned in Annexure A;

v) Examined the Board of Directors declarations for the purpose of buyback and solvency of the Company; and

vi) Obtained appropriate representations from the Management of the Company.

6. The audited standalone and consolidated financial statements referred to in paragraph 4 above and the audited consolidated financial statements referred to in Annexure A, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated May 30, 2022. Our audits of these financial statements were conducted in accordance with the Standards on Auditing under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

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

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

9. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion

10. Based on inquiries conducted and our examination as above, we report that:

i) we have inquired into the state of affairs of the Company with reference to its audited standalone and consolidated financial statements as at and for the year ended March 31, 2022;

ii) the Board has proposed to buyback the Company's equity shares upto an aggregate amount not exceeding 8,71,79,600/- ("Buyback Offer Size") at a price not exceeding INR 95/-per equity share ("Buyback Offer Price"). The amount of permissible capital payments (including premium) towards the proposed buyback of equity shares as computed in Annexure A, has been properly determined in accordance with Section 68(2) of the Act; Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations; and

iii) the Board of Directors of the Company in their meeting held on May 30, 2022 have formed their opinion, as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing of the board meeting resolution dated May 30, 2022.

Based on the representations made by the Management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on use

11. This report has been issued at the request of the Company solely for use of the Company in relation to the proposed buyback in accordance with the provisions of Section 68 and other applicable provisions of Companies Act, 2013 and SEBI Buy-back Regulations (i) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back 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 laws and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (ii) for providing to the manager, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Mohan Gupta & Company**
Chartered Accountants
Firm's Registration No.: 006519N

Sd/-

CA Himanshu Gupta
Partner
Membership No.: 527863
UDIN: 22527863AJXKWY2030

Place: New Delhi
Date: 30th May, 2022

Annexure A:

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) of the Companies Act, 2013 and Regulation 4 of the Buy-back Regulations (SEBI Regulations), based on the audited standalone and consolidated financial statements as at and for the 12 months period ended 31 March 2022:

(Rs. In lakhs)

Particulars	Standalone	Consolidated
Paid up equity share capital (2,42,70,900) equity shares of Rs.10/- each (including forfeited amount)	2492.17	2492.17
Free reserves:		
Retained earnings	3662.40	10397.28
Securities premium reserve	2564.18	2564.18
General reserve		
Total free reserves	6226.58	12961.46
Total paid up equity capital and free reserves as at 31 March 2022	8718.75	15453.63
Maximum amount permissible for buy-back under Section 68 of the Companies Act, 2013 read with Regulation 4(i) of SEBI Regulations (25.00% of the total paid up equity share capital and free reserves)	2179.69	3863.41
Maximum amount permissible for buy-back under the proviso to Regulation 5(i)(b) of the Buy-back Regulations, i.e. 10.00% of the total paid up capital and free reserves	871.87	1545.36

Note: The amounts of paid-up equity capital and free reserves as at March 31, 2022 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at March 31, 2022 which was approved by the Board of Directors of the Company at their meeting held on May 30, 2022, and are yet to be adopted by the shareholders of the Company at the ensuing annual general meeting.

For & behalf of Board of Directors of **Avonmore Capital & Management Services Limited**

Sd/-

Name: Ashok Kumar Gupta

Designation: Managing Director

Place: New Delhi

Date: May 30, 2022

25. DOCUMENTS FOR INSPECTION

Copies of the following material documents are available for inspection by shareholders of Avonmore Capital & Management Services Limited at the Registered Office: F-33/3, Okhla Industrial Area Phase-II New Delhi South Delhi-110020 between 10.00 a.m. to 5.00 p.m. on any day, except Saturdays, Sundays and public holidays and on the website of the Company at www.avonmorecapital.in during the Tendering Period.

1. Copy of the Certificate of Incorporation;
2. Memorandum and Articles of Association of Avonmore Capital & Management Services Limited;
3. Certified true copy of the resolution passed by the Board of Directors at the meeting held on May 30, 2022 approving proposal for Buyback;
4. Copy of Report dated May 30, 2022 received from Mohan Gupta & Company, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;
5. Copy of Declaration of solvency and an affidavit verifying the same in Form SH-9, as prescribed under section 68(6) of the Companies Act, 2013;
6. Copy of Escrow Agreement dated May 31, 2022 between Avonmore Capital & Management Services Limited, Corporate CapitalVentures Private Limited and Axis Bank Limited;
7. Copy of the certificate received from CA Himanshu Gupta, Chartered Accountant, Partner in Mohan Gupta & Company, Chartered Accountants, dated May 30, 2022 certifying that the Company has adequate firm financial arrangements for the purposes of Buyback;
8. Copy of Public Announcement dated May 31, 2022, published in the newspapers on June 01, 2022 regarding Buyback of Equity Shares;
9. "Note on Tax" dated May 30, 2022 obtained by the Company on taxation from CA Himanshu Gupta, Chartered Accountant, Partner in Mohan Gupta & Company, Chartered Accountants, dated May 30, 2022; and
10. Observations from SEBI on the Draft Letter of Offer issued by its letter no SEBI/HO/CFD/DCR3/OW/2022/25982/1 dated 24/06/2022.

26. CONTACT DETAILS OF COMPLIANCE OFFICER

The Company has appointed **Ms. Sonal**, **Company Secretary** of the company as the Compliance Officer for the purpose of this buyback offer. Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays at:

Ms. Sonal

Company Secretary & Compliance Officer
Avonmore Capital & Management Services Limited
F-33/3, Okhla Industrial Area, Phase – II
New Delhi- 110020
Phone: 011-43500700
Email: secretarial@almondz.com
Website: www.avonmorecapital.in

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

1. In case of any grievances relating to the Buyback (i.e. non-receipt of the Buyback consideration, Share certificate, demat credit, etc.) the investor can approach the Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal thereof.
2. If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013, or the rules made thereunder, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, 2013.
3. The address of the concerned office of the Registrar of Companies is as follows:
Office of Registrar of Companies, Delhi
4th Floor, IFCI Tower, 61, Nehru Place,
New Delhi - 110019

28. DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Saturday, Sunday and Public Holiday from 11:00 a.m. IST to 5:00 p.m. IST, at the following address:

MANAGER TO THE BUYBACK OFFER


Corporate Capital Ventures
CORPORATE CAPITALVENTURES PRIVATE LIMITED
SEBI Regn. No.: MB/INM000012276
CIN- U74140DL2009PTC194657
Regd. Off.: B-1/E-13, First Floor, Mohan Corporate Ind. Estate, New Delhi
Tel No.: +91-9212650228/ 011-41824066
Contact Person: Ms. Harpreet Parashar
E-mail: info@ccvindia.com
Website: www.ccvindia.com
SEBI REGN. NO- INM000012276
Validity Period: Permanent Registration



Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi- 110062
Contact Person: Mr. Punit Mittal
Tel.: +91 11-29961281-83/ 09810276579
Fax No.: +91 11- 29961284
Email: beetal@beetalfinancial.com
Website: www.beetalfinancial.com
SEBI Registration Number: INR000000262
Validity Period: Permanent Registration

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

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Letter of Offer and confirms that the information in this Letter of Offer contain true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of Avonmore Capital & Management Services Limited

Sd/-
Ashok Kumar Gupta
Managing Director
DIN: 02590928

Sd/-
Govind Prasad Agarwal
Director
DIN: 00008429

Sd/-
Sonal
Company Secretary and
Compliance Office
Membership No.- A57027

Place: New Delhi
Date: June 27th, 2022

30. Enclosure:

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