

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (“**Letter of Offer**”) is being sent to you as a registered Equity Shareholder / Beneficial Owner (as defined hereinafter) of Cera Sanitaryware Limited (hereinafter referred to as the “**Company**”) as on the Record Date, being Friday, August 16, 2024 in accordance with the 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 stock broker or your investment consultant or the Manager to the Buyback i.e., Ambit Private Limited or the Registrar to the Buyback i.e., Link Intime India Private Limited. Please refer to the section “*Definition of Key Terms*” on page 3 of this Letter of Offer for the definition of the capitalised terms used herein.



Cera Sanitaryware Limited

Corporate Identity Number: L26910GJ1998PLC034400

Registered Office: 9, GIDC Industrial Estate, Kadi-382715, Dist. Mehsana, North Gujarat, India

Corporate Office: 7th & 8th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Cross Roads, Ahmedabad 380059

Tel: 2764-243000, 242329, 079-49112222,

Email: hemal.sadiwala@cera-india.com;

Website: www.cera-india.com

Contact Person: Mr. Hemal Sadiwala, Company Secretary and Compliance Officer

OFFER TO BUYBACK NOT EXCEEDING 1,08,333 (ONE LAKH EIGHT THOUSAND THREE HUNDRED AND THIRTY THREE ONLY) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF THE FACE VALUE OF INR 5/- (INDIAN RUPEES FIVE ONLY) EACH, REPRESENTING 0.83% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE TOTAL PAID-UP EQUITY CAPITAL OF THE COMPANY AS ON MARCH 31, 2024 FROM ALL ELIGIBLE SHAREHOLDERS (EQUITY SHAREHOLDERS AS ON THE RECORD DATE, BEING FRIDAY, AUGUST 16, 2024) ON A PROPORTIONATE BASIS, THROUGH THE ‘TENDER OFFER’ ROUTE, AT A PRICE OF INR 12,000/- (INDIAN RUPEES TWELVE THOUSAND ONLY) PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING INR 130,00,00,000/- (INDIAN RUPEES ONE HUNDRED AND THIRTY CRORES ONLY) (THE “BUYBACK”) EXCLUDING THE TRANSACTION COSTS.

- The Buyback is being undertaken in accordance with Article 50 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended (the “**Companies Act**”) and the relevant rules made thereunder including the Companies (Share Capital and Debentures) Rules, 2014 (“**Share Capital and Debentures Rules**”) to the extent applicable, the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (“**Buyback Regulations**”) read with the SEBI Buyback Circulars (defined below) and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”), to the extent applicable, and including any amendments, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by Securities and Exchange Board of India (“**SEBI**”), Reserve Bank of India (“**RBI**”), Registrar of Companies (“**ROC**”), BSE Limited (“**BSE**”), National Stock Exchange of India Limited (“**NSE**”) (together, the “**Stock Exchanges**”) and/ or other relevant authorities, institutions or bodies, (together with SEBI, RBI, ROC, Stock Exchanges, the “**Appropriate Authorities**”) while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board.
- The maximum amount required for the Buyback will not exceed INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only) excluding the Transaction Costs (defined below), being 9.68% and 9.66% 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 as on March 31, 2024 (being the latest audited standalone and consolidated financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) respectively. The Buyback Offer Size is within the statutory limit of 10% of the aggregate of the paid-up capital and free reserves of the Company as per Section 68(2) of the Companies Act and proviso to Regulation 5(i)(b) of the Buyback Regulations.
- In accordance with the Buyback Regulations, this Letter of Offer is being sent through electronic means to the Equity Shareholders/ Beneficial Owners holding Equity Shares of the Company as on the Record Date i.e., Friday, August 16, 2024, in accordance with the SEBI Buyback Regulations and such other circulars or notifications as may be applicable. Further, in terms of Regulation 9(ii) of the Buyback Regulations, if the Company receives a request from any Eligible Shareholder to dispatch a copy of the Letter of Offer in physical form, the same shall be provided.
- For details of the procedure for tender and settlement, please refer to the “*Procedure for Tender Offer and Settlement*” on paragraph 22 on page 42 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the “**Tender Form**”) along with the share transfer form (“**Form SH-4**”) are enclosed together with this Letter of Offer.
- For details of the procedure for Acceptance, please refer to the “*Process and Methodology for the Buyback*” on paragraph 21 on page 38 of this Letter of Offer.
- For mode of payment of cash consideration to the Eligible Shareholders, please refer to “*Procedure for Tender Offer and Settlement - Method of Settlement*” on paragraph 22(C) on page 49 of this Letter of Offer.
- A copy of the Public Announcement and this Letter of Offer (including the Tender Form and SH-4) shall be available on the website of the Company at www.cera-india.com and is expected to be available on websites of SEBI at www.sebi.gov.in, the Registrar to the Buyback at www.linkintime.co.in, the Stock Exchanges at www.bseindia.com, www.nseindia.com respectively and the Manager to the Buyback at www.ambit.co.
- Eligible Shareholders are advised to read this Letter of Offer and in particular refer to “*Details of Statutory Approvals*” and “*Note on Taxation*” on paragraph 19 and paragraph 23 on page 37 and page 51 of this Letter of Offer, respectively, before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK

REGISTRAR TO THE BUYBACK



Ambit Private Limited
Ambit House, 449, Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India
Tel No.: + 91 22 6623 3030; **Contact Person:** Devanshi Shah / Janit Sethi;
Email: cera.buyback@ambit.co; Website: www.ambit.co;
SEBI Registration No.: INM000010585; **Validity Period:** Permanent;
CIN: U65923MH1997PTC109992



Link Intime India Private Limited
C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West),
Mumbai- 400 083, Maharashtra, India
Tel.: 91 810 811 4949; **Contact Person:** Ms. Shanti Gopalkrishnan;
E-mail: cerasanitaryware.buyback2024@linkintime.co.in ;
Website: www.linkintime.co.in;
SEBI Registration. No.: INR000004058; **Validity Period:** Permanent;
CIN: U67190MH1999PTC118368

BUYBACK PROGRAMME

BUYBACK OPENS ON	THURSDAY, AUGUST 22, 2024
BUYBACK CLOSES ON	WEDNESDAY, AUGUST 28, 2024
LAST DATE AND TIME FOR RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK	ON OR BEFORE 5.00 PM (IST) ON WEDNESDAY, AUGUST 28, 2024

BUYBACK ENTITLEMENT

CATEGORY OF ELIGIBLE SHAREHOLDERS BUYBACK	BUYBACK ENTITLEMENT[#]
RESERVED CATEGORY FOR SMALL SHAREHOLDERS	1 EQUITY SHARES FOR EVERY 22 EQUITY SHARES HELD ON THE RECORD DATE
GENERAL CATEGORY FOR ALL OTHER ELIGIBLE SHAREHOLDERS	1 EQUITY SHARES FOR EVERY 135 EQUITY SHARES HELD ON THE RECORD DATE

* In addition to the Company’s contact details provided above, the investors may reach out to the Investor Service Centre of Link Intime India Private Limited for any queries at +91810 811 4949, details of which are also included at paragraph 29 of the Letter of Offer.

For further information on ratio of Buyback in each category, please refer paragraph 21.6 on page no. 39 of the Letter of Offer.

ELIGIBLE SHAREHOLDERS CAN ALSO CHECK THEIR ENTITLEMENT ON THE WEBSITE OF THE REGISTRAR TO THE BUYBACK BY FOLLOWING THE STEPS GIVEN BELOW:

- Click on <https://linkintime.co.in/Offer/Default.aspx>
- Select the name of the Company – **Cera Sanitaryware Limited - Buyback-2024**
- Select holding type - “Physical” or “NSDL” or “CDSL” or “PAN”
- Based on the option selected above, enter your “Folio Number” or “NSDL DPID/Client ID” or “CDSL Client ID” or “PAN”
- Click on submit
- Then click on ‘View’ button
- The entitlement will be provided in the pre-filled ‘FORM OF ACCEPTANCE-CUM ACKNOWLEDGEMENT’

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1. SCHEDULE OF ACTIVITIES FOR THE BUYBACK

Sr. No.	Activity	Schedule of Activities	
		Date	Day
1.	Date of Board Meeting approving the proposal for the Buyback	August 05, 2024	Monday
2.	Date of Public Announcement for the Buyback	August 06, 2024	Tuesday
3.	Date of publication of the Public Announcement for the Buyback in newspapers	August 07, 2024	Wednesday
4.	Record Date for determining the names of the Eligible Shareholders and the Buyback Entitlement	August 16, 2024	Friday
5.	Last date for dispatch of this Letter of Offer	August 20, 2024	Tuesday
6.	Buyback Opening Date	August 22, 2024	Thursday
7.	Buyback Closing Date	August 28, 2024	Wednesday
8.	Last date of receipt of completed Tender Form and other specified documents including physical certificates (if and as applicable) by the Registrar to the Buyback	August 28, 2024	Wednesday
9.	Last date of verification of Tender Forms by Registrar to the Buyback	September 02, 2024	Monday
10.	Last date of intimation to the Stock Exchanges regarding Acceptance/ non-acceptance of tendered Equity Shares by the Registrar to the Buyback	September 03, 2024	Tuesday
11.	Last date of completion of settlement of bids on the BSE	September 04, 2024	Wednesday
12.	Last date of dispatch of share certificate(s) by the Registrar to the Buyback / return of unaccepted Demat Shares by the Stock Exchanges to Eligible Shareholders / payment to Eligible Shareholders	September 04, 2024	Wednesday
13.	Last date of extinguishment of the Equity Shares bought back	September 13, 2024	Friday

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

2. DEFINITIONS 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, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Term	Description
Acceptance/ Accepted/Accept	Acceptance of Equity Shares tendered by the Eligible Shareholders in the Buyback
Acquisition Window	The facility for acquisition of Equity Shares through the mechanism provided by the Designated Stock Exchange i.e., BSE in the form of a separate window in accordance with the SEBI Buyback Circulars
Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder not exceeding the Equity Shares

	held by such Eligible Shareholder on the Record Date
Appropriate Authorities	SEBI, RBI, ROC and Stock Exchanges
Articles of Association	Articles of Association of the Company, as amended from time to time
Board/ Board of Directors	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Buyback Committee' constituted by the Board to exercise its powers, including the powers conferred by the resolution passed by the Board at its meeting held on Monday, August 05, 2024, thereof)
Board Meeting	Meeting of the Board of Directors held on Monday, August 05, 2024, <i>inter alia</i> , to approve the Buyback
Board Resolution	The resolution of the Board of Directors passed in the Board Meeting
BSE	BSE Limited
Buyback or Buyback Offer or Offer	Offer to buyback, not exceeding 1,08,333 (One Lakh Eight Thousand Three Hundred and Thirty Three only) fully paid-up Equity Shares of the Company of the face value of INR 5/- (Indian Rupees Five only) each, representing 0.83% of the total number of Equity Shares in the total paid-up equity capital of the Company as on March 31, 2024 from all Eligible Shareholders (Equity Shareholders as on the Record Date, being Friday, August 16, 2024) on a proportionate basis, through the "tender offer" route, at a price of INR12,000/- (Indian Rupees Twelve Thousand only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only), excluding the Transaction Costs.
Buyback Closing Date	Wednesday, August 28, 2024
Buyback Committee	A committee constituted by the Board, comprising of Mr. Vikram Somany, Mrs. Deepshikha Khaitan and Mr. Anupam Gupta and pursuant to a resolution passed by the Board dated August 05, 2024, to exercise certain powers in relation to the Buyback
Buyback Entitlement/ Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, which is computed based on the number of Equity Shares held by such Eligible Shareholder as on the Record Date and the ratio/ percentage of Buyback applicable in the category, to which such Eligible Shareholder belongs
Buyback Opening Date	Thursday, August 22, 2024
Buyback Offer Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e., INR 12,000/- (Indian Rupees Twelve Thousand only) per Equity Share, payable in cash
Buyback Offer Size	Number of Equity Shares proposed to be bought back i.e., not exceeding 1,08,333 (One Lakh Eight Thousand Three Hundred and Thirty Three only) Equity Shares multiplied by the Buyback Offer Price (i.e., INR 12,000/- (Indian Rupees Twelve Thousand only) aggregating to a maximum amount of INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only). The Buyback Offer Size excludes Transaction Costs.
Buyback Period	The period between the date of the declaration of Board Resolution i.e., Monday, August 05, 2024 and the date on which the payment of consideration to the Eligible Shareholders who have accepted the Buyback is made.
Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation	Indian Clearing Corporation Limited
Companies Act	Companies Act, 2013, as amended and rules framed thereunder
"Company" or "Our Company" or "we" or "us" or "our"	Cera Sanitaryware Limited
Company's Broker	Ambit Capital Private Limited
Company Demat Account	A demat account of the Company wherein Demat Shares bought back in the Buyback would be transferred

Compliance Officer	Hemal Sadiwala
Demat Share(s)	Equity Share(s) of the Company in dematerialised form
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Depositories Act	Depositories Act, 1996, as amended and rules framed thereunder
Designated Stock Exchange or DSE	BSE
DIN	Director Identification Number
Director(s)	Director(s) of the Company
DP	Depository Participant
EBITDA	Earnings before interest, taxes, depreciation, and amortization
Eligible Shareholders	Equity Shareholders eligible to participate in the Buyback and would mean all shareholders/ beneficial owners of the Equity Shares of the Company on the Record Date, being Friday, August 16, 2024, but do not include such shareholders/ beneficial owners of the Equity Shares who are not permitted under the applicable law to tender Equity shares in the Buyback
EPS	Earnings per Equity Share
Equity Shareholder(s) / Shareholder(s)	Holders of Equity Shares and includes beneficial owners thereof
Equity Share(s)	Fully paid-up equity share(s) of the Company having the face value of INR 5/- (Indian Rupees Five only) each
Escrow Account	Escrow account titled “Cera Sanitaryware Limited Buyback 2024– Escrow Account” opened with the Escrow Agent in accordance with Buyback Regulations
Escrow Agent	Kotak Mahindra Bank Limited
Escrow Agreement	The agreement dated August 08, 2024 entered into between the Company, the Manager to the Buyback and the Escrow Agent, pursuant to which certain arrangement for Escrow Account is made in relation to the Buyback
FATCA	Foreign Account Tax Compliance Act
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time, including rules, regulations, circulars, directors and notifications issued thereunder
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investors as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
General Category	Eligible Shareholders other than the Small Shareholders
HUF	Hindu Undivided Family
IPV	In person verification
IST	Indian Standard Time
IT Act/ Income Tax Act	Income Tax Act, 1961, as amended
KMP	Key Managerial Personnel of the Company as defined under Companies Act
Letter of Offer	This letter of offer dated Tuesday, August 20, 2024 issued to the Shareholders containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
Manager to the Buyback or Merchant Banker to the Buyback	Ambit Private Limited
N.A./ NA	Not applicable
Non-Resident Shareholders	Eligible Shareholders residing outside India including Non-resident Indians (NRI), Foreign Nationals, FPIs and foreign corporate bodies (including erstwhile overseas corporate bodies)
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
Physical Share(s)	Equity Share(s) of the Company in physical form
Promoter and Promoter Group or Promoters and members of Promoter Group	Vikram Somany, Deepshikha Khaitan, Smi Somany, Pooja Jain Somany, Vikram Investment Company Private Limited, Rekha Commercial Private Limited, Tri-sure Promotions & Tradings Private Limited, Suvinay Trading & Investment Co. Ltd., Madhusudan Industries Limited
Public Announcement	Public announcement dated Tuesday, August 06, 2024, in connection with the

	Buyback in accordance with the Buyback Regulations which was published on Wednesday, August 07, 2024 in all editions of the Business Standard, an English daily, Business Standard, a Hindi national daily and Financial Express in Gujarati, a regional language in the Ahmedabad edition.
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer (including the Tender Forms and form SH-4) will be sent, and who are eligible to participate in the Buyback in accordance with the Buyback Regulations. The Record Date for the Buyback was Friday, August 16, 2024
Registrar of Companies or ROC	Registrar of Companies, Gujarat
Registrar to the Buyback or Registrar	Link Intime India Private Limited
Reserved Category	Small Shareholders eligible to tender Equity Shares in the Buyback
SEBI	Securities and Exchange Board of India
SEBI Buyback Circulars	The mechanism for acquisition of shares through stock exchange specified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and circular no. SEBI/HO/CFD/DCR- III/CIR/P/2021/615 dated August 13, 2021 and such other circulars or notifications as may be applicable, including any further amendments thereof or statutory modifications for the time in force
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
Seller Member	The stockbroker of an Eligible Shareholder through whom the order for selling the Equity Shares will be placed in the Acquisition Window
Share Capital and Debentures Rules	Companies (Share Capital and Debenture) Rules, 2014, as amended
Small Shareholder	As defined under Regulation 2(i)(n) of the Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than INR 2,00,000 (Indian Rupees Two Lakhs Only), on the basis of closing price on BSE or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date.
Stock Exchanges	Together, BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
Stock Exchange Mechanism	The “Mechanism for Acquisition of Shares through Stock Exchange”, notified by the SEBI vide SEBI Buyback Circulars
Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholders to participate in the Buyback
Tender Offer	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
Tendering Period	Period of 5 Working Days from the Buyback Opening Date (Thursday, August 22, 2024) till the Buyback Closing Date (Wednesday, August 28, 2024) (both days inclusive)
Transaction Costs	Any expenses incurred or to be incurred for the buyback viz. brokerage, costs, fees, turnover charges, taxes such as tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, printing and dispatch expenses, if any, filing fees to SEBI and any other Appropriate Authorities, stock exchange charges, advisor/legal fees, public announcement publication expenses and other incidental and related expenses and charges
TRS	Transaction Registration Slip generated by the exchange bidding system
Working Day(s)	Working day as defined in the Buyback Regulations

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

Page Numbers and Paragraph Numbers

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

Currency and Units of Presentation

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

Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Letter of Offer is derived from the audited standalone and consolidated financial statement for the financial years ended March 31, 2022, March 31, 2023, and March 31, 2024, and unaudited standalone and consolidated financial statements for 3 months ended 30 June, 2024, which have been subjected to a limited review by our statutory auditors.

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

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

All data related to financials are given in INR lakhs, unless otherwise stated.

Stock Market Data

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

Time

Unless stated otherwise, all references to time in this Letter of Offer are to Indian Standard Time.

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 i.e., Ambit Private Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback i.e., Ambit Private Limited, has furnished to SEBI a due diligence certificate dated Tuesday, August 20, 2024 in accordance with the Buyback Regulations, which reads as follows:

*“We have examined various documents and materials relevant to the Buyback, as part of the due-diligence carried out by us in connection with the finalisation of the public announcement dated Tuesday, August 06, 2024 for the Buyback (“**Public Announcement**”) which was published on Wednesday, August 07, 2024. On the basis of such examination and the discussions with the Company, we hereby state that:*

- *the Public Announcement and the Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback;*
- *all the legal requirements connected with the said Buyback including Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended have been duly complied with;*

- *the disclosures in the Public Announcement are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders/ beneficial owners of the Company to make a well informed decision in respect of the captioned Buyback; and*
- *funds used for the Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”*

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

The Promoters and members of the Promoter Group and the Board of Directors of the Company 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/ misrepresentation, the Promoters and members of the Promoter Group and Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

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

3.1 **Disclaimer for Persons from the United States of America**

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

3.2 **Disclaimer for Persons in foreign countries other than the United States of America:**

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer, resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Buyback is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations. 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 which would subject the Company or the Manager to the Buyback to any new or additional requirements or registrations. 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.

3.3 **Important Notice to all Equity Shareholders:**

This Letter of Offer has been prepared for the purposes of compliance with the 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. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of the Letter of Offer. The Letter of Offer shall be dispatched to all Eligible Shareholders (Equity Shareholders as on the Record Date) as per the Buyback Regulations and such other circulars or notifications, as may be applicable. However, receipt of the Letter of Offer by any Equity Shareholder 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 Equity Shareholders as an offer being made to them. Any Equity 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 authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

3.4 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 pursue’, or other words or phrases of similar import. Similarly, statements that describe our 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 the Company operates.

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

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

The Buyback has been authorised and approved by the Board of Directors at its meeting held on August 05, 2024. The text of the resolution of the Board of Directors is set out below:

Quote

“Approval of the Buyback

“RESOLVED THAT in accordance with Article 50 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, and all other applicable provisions, if any, of the Companies Act, 2013 as amended (hereinafter called the “**Act**”), the Companies (Share Capital and Debenture) Rules, 2014, as amended, as may be applicable, and in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (“**Listing Regulations**”) and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, (“**Buyback Regulations**”), which expression shall include any modification or re-enactment thereof, and subject to such other approvals, permissions, consents, sanctions and exemptions of Securities and Exchange Board of India (“**SEBI**”), Reserve Bank of India (“**RBI**”), Registrar of Companies, (“**ROC**”) Bombay Stock Exchange Limited (“**BSE**”), National Stock Exchange of India Limited (“**NSE**”) and/ or other authorities, institutions or bodies (together with SEBI, RBI, RoC, BSE and NSE, the “**Appropriate Authorities**”), as may be necessary the consent of the Board of Directors of the Company (“**Board**”, which term shall be deemed to include any committee of the Board and/ or officials, which the Board may constitute/authorise to exercise its powers, including the powers conferred by this resolution) be and is hereby accorded for the buyback not exceeding 1,08,333 (one lakh eight thousand three hundred and thirty three) fully paid up equity shares of the Company having a face value of INR 5 (Indian Rupees Five only) each (“**Equity Shares**”) (representing up to 0.83% (zero point eight three per cent) of the total number of Equity Shares in the paid up equity share capital of the Company as of March 31, 2024, at a price not exceeding INR 12,000 (Indian Rupees Twelve Thousand only) per Equity Share (“**Buyback Price**”), subject to any increase to the Buyback Price as may be approved by the Board / Buyback Committee in compliance with Regulation 5 (via) of Buyback Regulations, payable in cash for an aggregate amount not exceeding INR 1,30,00,00,000 (Indian Rupees one hundred and thirty crores only), excluding any expenses incurred or to be incurred for the buyback viz. brokerage costs, fees, turnover charges, taxes such as tax on buyback, securities transaction tax and goods and services tax (if any), stamp duty, printing and dispatch expenses, if any, filing fees to SEBI and any other Appropriate Authorities, stock exchange charges, advisor/legal fees, public announcement publication expenses and other incidental and related expenses and charges, (such maximum amount hereinafter referred to as the “**Buyback Size**”) which represents 9.68% (nine point six eight per cent) and 9.66% (nine point six six per cent) of the total of the Company’s fully paid-up share

capital and free reserves as per the standalone and consolidated audited financial statements of the Company as on March 31, 2024 respectively (being the latest audited financial information available as on the date of the Board Meeting recommending the proposal for the Buyback), from all the shareholders/ beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group of the Company (as defined under Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018), as on a record date (“**Record Date**”), through the “tender offer” route, on a proportionate basis as prescribed under the Buyback Regulations (hereinafter referred to as the “**Buyback**”).

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the “*Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting*” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and the SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force (“**SEBI Circulars**”).

RESOLVED FURTHER THAT in terms of Regulation 4 of the Buyback Regulations, the proposed Buyback be implemented from its free reserves and/or securities premium account and/or such other sources or by such mechanisms as may be permitted by applicable laws, and the Buyback shall be through tender offer, on a proportionate basis in such manner as may be prescribed under the Buyback Regulations and Act 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 under the applicable laws.

RESOLVED FURTHER THAT all equity shareholders/ beneficial owners of the Equity Shares, including Promoters, who hold Equity Shares as on the Record Date (“**Eligible Shareholders**”), will be eligible to participate in the Buyback except for any shareholders who may be specifically prohibited under the applicable laws by Appropriate Authorities.

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

RESOLVED FURTHER THAT the Buyback from non-resident Shareholders, non-resident Indian shareholders, Overseas Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs) etc., shall be subject to such approvals, if and to the extent necessary or required including approvals from the RBI under the applicable Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended if any, Income Tax Act, 1961 and rules framed there under, as amended if any, and that such approvals shall be required to be taken by such non-resident shareholders.

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of Listing Regulations.

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

RESOLVED FURTHER THAT as required by clause (x) of Schedule I in accordance with Regulation 5(iv)(b) of the Buyback Regulations, the Board do hereby confirm that they have made a full enquiry into the affairs and prospects of the Company including the projections and also considering all contingent liabilities, and have formed an opinion that:

1. Immediately following the date of this resolution approving the proposed Buyback offer will be announced, there will be no grounds on which the Company could be found unable to pay its debts;
2. As regards the Company’s prospects for the year immediately following date of this resolution, having regard to Board’s intentions with respect to the management of the Company’s business during that year and to the amount and character of the financial resources which will, in the Board’s view be, available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 (one) year from the date of this resolution.

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

RESOLVED FURTHER THAT in terms of Regulation 24 (iii) of the Buyback Regulations, Mr. Hemal Sadiwala, Company Secretary be and is hereby appointed as Compliance Officer under the Buyback Regulations for the implementation of the Buyback.

RESOLVED FURTHER THAT, the Buyback is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term, the Company's dividend pay-out trend and cash reserves and for returning surplus funds to the shareholders in an effective and efficient manner. The Buyback is being undertaken, *inter-alia*, for the following reasons:

1. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares, thereby, enhancing the overall return to shareholders;
2. The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i) (n) of the Buyback Regulations;
3. The Buyback may help in improving its return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and
4. The Buyback gives an option to the Eligible Shareholders to either (a) participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback, or (b) not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without any additional investment.

RESOLVED FURTHER THAT the Board hereby confirms that:

1. All the Equity Shares of the Company are fully paid-up;
2. The Company, as per provisions of Section 68(8) of the Act, shall not make further issue of the same kind of Equity Shares or other specified securities including allotment of new equity shares under clause (a) of sub-section (1) of section 62 or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or Equity Shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
3. Unless otherwise specifically permitted by any relaxation issued by SEBI and / or any other regulatory authority, the Company shall not raise further capital for a period of 1 (one) year from the closure of the Buyback, i.e. the date on which the payment of consideration to shareholders who have accepted the Buyback offer is made except in discharge of subsisting obligations;
4. The Company shall not issue any shares or other securities from the date of this resolution including by way of bonus issue till the expiry of the period of Buyback i.e., date on which the payment of consideration to shareholders who have accepted the offer of Buyback is made in accordance with the Companies Act and the Buyback Regulations;
5. The Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
6. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares purchased through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
7. The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company

including its own subsidiary companies or through any investment company or group of investment companies;

8. 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;
9. There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest 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;
10. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act;
11. The funds borrowed, whether secured or unsecured, of any form and nature, from banks and financial institutions will not be used for the Buyback;
12. The Buyback Size does not exceed 10% of the aggregate of the fully paid-up Equity Share capital and free reserves (including securities premium account) of the Company as per the latest audited balance sheet as on March 31, 2024, on standalone and consolidated basis, whichever sets out a lower amount;
13. The maximum number of Equity Shares proposed to be purchased under the Buyback (up to 1,08,333 (one lakh eight thousand three hundred and thirty three) Equity Shares), do not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital of the Company as on March 31, 2024;
14. The Company shall not make any offer of buyback within a period of 1 (one) year reckoned from the expiry of the Buyback period i.e. date on which the payment of consideration to shareholders who have accepted the buyback offer is made in accordance with the Companies Act and the Buyback Regulations; and the Company has not undertaken a buyback of any of its securities during the period of 1 (one) year immediately preceding the date of this Board Meeting;
15. The Company has outstanding facilities with its lenders. In accordance with Regulation 5(i)(c) and Clause (xii) of Schedule I of the Buyback Regulations, the Company shall not undertake the Buyback unless it has obtained prior consent of its lenders, in case of breach of any covenant with such lenders. The Company confirms that it has obtained the prior consent of its lenders, as necessary, for undertaking the Buyback;
16. As per Regulation 24(i)(e) of the Buyback Regulations, the Promoters, or their associates, shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the Promoters) from the date of Board resolution approving the Buyback till the closing of the Buyback offer;
17. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date;
18. The ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice the paid-up share capital and free reserves based on both, audited standalone and consolidated financial statements of the Company as on March 31, 2024, as prescribed under the Companies Act and rules made thereunder and Buyback Regulations;
19. The Buyback shall be completed within a period of 1 (one) year from the date of passing of this resolution;
20. The Company shall not withdraw the Buyback offer after the letter of offer is filed with the SEBI or the public announcement of the offer of the Buyback is made, except where any event or restriction may render the Company unable to effect Buyback;
21. The Company shall not allow buy back of its shares unless the consequent reduction of its share capital is affected;
22. The Company is not undertaking the Buyback to delist its Equity Shares or any other specified securities from the stock exchanges;

23. Consideration of the Equity Shares bought back by the Company will be paid only by way of cash; and
24. The information pertaining to the Company as may be set out in the Public Announcement, Letter of Offer any corrigenda and all offer documents with respect to the Buyback (“**Buyback Offer Documents**”) shall be true, fair and adequate information in all material aspects and shall not contain any misleading information.

RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for fixing August 16, 2024, as the Record Date for ascertaining the eligibility of the shareholders to participate in the Buyback of Equity Shares of the Company.

RESOLVED FURTHER THAT Mr. Vikram Somany, Chairman and Managing Director, and Mr. Anupam Gupta, Executive Director (Technical) and Mr. Hemal Sadiwala, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorised to represent the Company before the Appropriate Authorities and any other regulatory/ statutory bodies/ authorities or any other agencies connected with the Buyback and to sign and submit all forms, letters, documents or other papers that may be required.

RESOLVED FURTHER THAT any actions taken so far in connection with the Buyback by the officers of the Company be and are hereby ratified, confirmed and approved and that Mr. Vikram Somany, Chairman and Managing Director, and Mr. Anupam Gupta, Executive Director (Technical) and Mr. Hemal Sadiwala, Company Secretary & Compliance Office of the Company be and are hereby severally authorised to do such acts and things as may be necessary for the purpose of buy back.

RESOLVED FURTHER THAT the powers of the Board in respect of Buyback be and are hereby delegated to the committee comprising of Mr. Vikram Somany, Mrs. Deepshikha Khaitan, and Mr. Anupam Gupta, directors of the Company (“**Buy Back Committee**”).

RESOLVED FURTHER THAT, the Buyback Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, in relation to the Buyback, including but not limited to:

1. To seek all regulatory approvals, if any, including of the SEBI and the RBI for implementing the Buyback.
2. To decide the amendment to the Record Date for the purpose of Buyback (if permitted under applicable law).
3. To appoint, authorize, enter into agreements with and issue necessary instructions to merchant banker, registrar, custodians, advertising agencies, escrow agents, brokers, depository participants, legal advisors and all other intermediaries, advisors, consultants etc. as may be required, desired or considered expedient for the implementation of the Buyback including the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof.
4. To open one or more bank accounts including escrow accounts, as required, and to enter into agreements with and to give instructions to the bankers in connection therewith.
5. To open, operate and close one or more depository account/ trading account/ buyer broker account and to open, operate and close special trading window account with both the BSE Limited and the National Stock Exchange of India Limited and to decide the authorized signatories for depository account/trading account/buyer broker account/special trading window account.
6. Negotiation and execution of escrow arrangement(s) in accordance with the Buyback Regulations.
7. To increase the Buyback Price and decrease the number of Equity Shares proposed to be bought back, such that there is no change in the aggregate Buyback Size, till 1 (one) working day prior to the Record Date, in terms of Regulation 5 (vi)(a) of the Buyback Regulations;
8. To authorize bankers to act upon the instructions of the merchant banker as required under the Buyback Regulations.

9. To prepare, finalise, approve, modify, sign (in accordance with applicable law), issue, re-issue and file with the Appropriate Authorities and/or other authorities, the Buyback Offer Documents and all other documents, resolutions, advertisements, confirmations, intimations and declarations, if any, and other documents required in connection with the Buyback, and causing the declaration of solvency and supporting affidavit to be executed in accordance with applicable law and such alterations, additions, omissions, variations, amendments or corrections will be deemed to have been approved by the Board.
10. To adopt text of and publish the relevant Buyback Offer Documents before and or after Buyback.
11. To file copies of the Buyback Offer Documents and any revision thereto with SEBI, the stock exchanges and other appropriate authorities as may be required.
12. To decide on the opening date for commencing of Buyback and closing date.
13. To decide the 'designated stock exchange' for the Buyback.
14. To decide on the entitlement ratio and timetable from the opening of the offer till the extinguishment of the shares.
15. To carry out management discussion and analysis on the likely impact of the Buyback on the Company's earnings, public holdings, holdings of NRIs/FIIs etc., promoters' holdings and change in management structure.
16. To issue, furnish and make disclosures, certificates, returns, confirmations etc. as may be required under the Act, Buyback Regulations or other applicable law and to file such documents with the relevant persons as may be required under the Act, Buyback Regulations or other applicable law.
17. To deal with stock exchanges (including their clearing corporations) where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback as per SEBI Circulars.
18. To give any information, explanation, declarations and confirmation in relation to the public announcement, letter of offer as may be required by the Appropriate Authorities and other relevant authorities.
19. To make and file 'Compliance Certificate' as required under the Buyback Regulations.
20. To establish, appoint and/or nominate investor service centre/s for compliance with Buyback Regulations and redress grievances of the shareholders.
21. To verify offer/acceptances received.
22. To finalize basis of acceptance.
23. To pay to the Shareholders consideration for shares bought back pursuant to the Buyback.
24. To approve split of physical share certificates (if any) and transfer of shares.
25. To issue rejection letters, if any.
26. To affix the common seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the articles of association of the Company.
27. To extinguish dematerialized shares bought back within the time limit specified under the Buyback Regulations, file certificate of extinguishment on behalf of the Company, in accordance with applicable law and to destroy physical share certificates upon the completion of the Buyback.
28. To file 'Return of Buyback' with Registrar and other statutory authorities.
29. To maintain 'Register of Securities bought back' and make corresponding changes in other statutory registers as required.

30. To take appropriate action for the removal of difficulties, if any, and to decide on all matters in connection with or incidental to, the implementation of the Buyback.
31. To represent the Company before the Appropriate Authorities or any other clearing corporations, agencies connected with the Buyback offer of the Company and to sign and submit all forms, letters, applications, undertakings, documents or other papers that may be required for the implementation of the Buyback.
32. To authorize one or more executives of the Company or of the merchant bankers to carry out any of the above activities.
33. 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.
34. To settle and resolve any queries or difficulties raised by any of the Appropriate Authorities and other relevant authorities whatsoever in connection with any matter incidental to and ancillary to the Buyback.
35. To upload all required information such as details of the Equity Shares bought back on the Company's website.
36. To finalize, sign, execute and submit necessary documents, deeds, affidavits, undertakings, certifications, agreements, forms, returns, applications, letters, etc., seek approval(s) and to represent the Company with the Appropriate Authorities National Securities Depository Limited, Central Depository Services (India) Limited and any other regulatory authority in connection with the Buyback.
37. To incur such other expenses as may be necessary with regard to the Buyback including fees to be paid to SEBI / other regulatory authorities, registrar's fees, fees for demat escrow agent and other intermediaries, fee for any consultants / advisers that may be hired, publication expenses, postage expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. and such other expenses that may be necessary or incidental in this regard.
38. Dating, making alterations to, additions to, deletions to, variations to, amendments or corrections to and issuing and filing with appropriate statutory/other authorities, the public announcement, the letter of offer and all other documents, resolutions, advertisements, confirmations, intimations and declarations, and the certificate for extinguishment and physical destruction of shares certificates (if any), and other documents required in connection with the Buyback and causing the declaration of solvency and supporting affidavit to be executed in accordance with applicable law and such alterations, additions, omissions, variations, amendments or corrections will be deemed to have been approved by the Board.
39. To do all such acts, matters and things incidental and in connection with the Buyback and sign and deliver such documents as may be necessary, desirable or expedient.

RESOLVED FURTHER THAT the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members present personally or through video conferencing or having provided their consent through circular resolution.

RESOLVED FURTHER THAT the Buyback Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper in connection with the Buyback.

RESOLVED FURTHER THAT the Buyback Committee be and is hereby authorized to delegate all or any of the authorities conferred on it to any Director(s)/Officer(s)/ Authorised Representative(s) of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.

RESOLVED FURTHER THAT as required under the provisions of Section 68(6) of the Companies Act read with Regulation 8 of the Buyback Regulations, the draft of the declaration of solvency prepared in the prescribed form, along with supporting affidavits and other documents, and that placed before the meeting be and is hereby approved and that Mr. Vikram Somany, Chairman and Managing Director and Mr. Anupam Gupta, Executive Director (Technical) and Mr. Vikas Kothari, Chief Financial Officer be and are hereby authorized to sign the same,

for and on behalf of the Board and file the same with the ROC and the SEBI, in accordance with the applicable laws.

RESOLVED FURTHER THAT Ambit Capital Private Limited be and is hereby appointed as the buying broker for the Buyback, to inter alia carry out the activities as brokers under the Buyback Regulations, on terms and conditions as may be mutually decided, and the consent of the Board be and is hereby accorded to open a depository account and a trading account with Ambit Capital Private Limited in connection with and for the purpose of the Buyback.

RESOLVED FURTHER THAT the Board hereby takes on record the draft of report dated August 05, 2024, issued by Singhi & Co, the statutory auditor of the Company, as required under clause (xi) of Schedule I of the Buyback Regulations.

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 its authorised official/ Buy Back Committee or any other sub-committee to buyback any shares and/or impair any power of the Company or the Board or authorised officials/the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

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

Unquote

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated Tuesday, August 06, 2024, for the Buyback which was published on Wednesday, August 07, 2024 in the newspapers mentioned below, which is within 2 (two) Working Days from the date of Board resolution approving the Buyback i.e., Monday, August 05, 2024:

Name of the Newspaper	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Financial Express	Gujarati	Ahmedabad

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 Company’s website (www.cera-india.com), the website of SEBI (www.sebi.gov.in) and on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com), the website of the Manager to the Buyback (www.ambit.co) and on the website of the Registrar to the Buyback (www.linkintime.co.in).

6. DETAILS OF THE BUYBACK

- 6.1 The Board of Directors has at its meeting held on Monday, August 05, 2024, subject to such approvals of regulatory and/or statutory authorities, lenders, institutions or bodies as may be required under applicable law, approved the proposal to buyback not exceeding 1,08,833 Equity Shares, (representing 0.83% of the total number of Equity Shares in the existing total issued and paid-up equity capital of the Company as per the audited financial statements as of March 31, 2024), from the shareholders/ beneficial owners of Equity Shares of the Company as on the Record Date (for further details in relation to the Record Date, refer to paragraph 21.6 on page 39 of this Letter of Offer), on a proportionate basis, through the “tender offer” process as prescribed under the Buyback Regulations, at a price of INR 12,000/- (Indian Rupees Twelve Thousand only) per Equity Share (“**Buyback Offer Price**”), payable in cash, for an aggregate maximum amount not exceeding INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only). The Buyback Offer Size and the Buyback Offer Price do not include the Transaction Costs. The Buyback Offer Size represents 9.68% and 9.66% of the total paid-up capital and free reserves as on March 31, 2024, based on the audited standalone and consolidated financial statements of the Company,

respectively, which does not exceed 10% of the aggregate of the total paid-up capital and free reserves of the Company as per latest available standalone and consolidated audited financials of the Company as on March 31, 2024.

- 6.2 In terms of Regulation 5 of the SEBI Buyback Regulations, the Board may, till one working day prior to the Record Date, increase the Buyback Price and decrease the number of Equity Shares proposed to be bought back, such that there is no change in the Buyback Size. As on the date of this Letter of Offer, there is no change in the Buyback Price
- 6.3 In accordance with proviso to Section 68(2)(b) of the Companies Act, the Board had not sought the approval of the shareholders of the Company since the Buyback Offer Size is less than 10% of the total paid-up equity share capital and free reserves of the Company.
- 6.4 The Buyback is in accordance with Article 50 of the Articles of Association of the Company and Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, and rules framed thereunder, including the Share Capital Rules, the Listing Regulations to the extent applicable, Buyback Regulations read with SEBI Circulars, subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by SEBI, Registrar of Companies, Gujarat, BSE, NSE and/ or other authorities, institutions or bodies, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board.
- 6.5 The Equity Shares are listed on BSE and NSE. The Buyback shall be undertaken on a proportionate basis from the Eligible Equity Shareholders of the Company as on the Record Date through the Tender Offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations read with Chapter III of the Buyback Regulations and Sections 68, 69 and 70 and other applicable provisions of the Companies Act. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified under SEBI Buyback Circulars. In this regard, the Company will request the Stock Exchanges to provide the Acquisition Window for facilitating tendering of Equity Shares under the Buyback and for the purposes of this Buyback, BSE will be the designated stock exchange.
- 6.6 Further, under the Companies Act and the SEBI Buyback Regulations, the number of Equity Shares that can be bought back in any financial year shall not exceed 25% of the total paid-up equity capital of the Company in that financial year. Since the Company proposes to buy back up to 1,08,333 Equity Shares representing 0.83% Equity Shares in the total paid-up equity capital of the Company, and therefore the same is within the aforesaid 25% limit.
- 6.7 The Company shall transfer from its free reserves and/ or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements.
- 6.8 In terms of the provisions of the Buyback Regulations, under the tender offer route, the Promoter and members of the Promoter Group and persons who are in control of the Company have an option to participate in the Buyback. In this regard, 7 (seven) members from the Promoters and the members of the Promoter Group have expressed their intention to participate in the Buyback vide their letters dated Monday August 05, 2024 and may tender up to: (i) an aggregate maximum of 68,67,074 Equity Shares; or (ii) such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations. Please refer to paragraph 15.4 on page 29 of this Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter and members of the Promoter Group in the Company.
- 6.9 The Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations.
- 6.10 Participation in the Buyback by shareholders will trigger tax on distributed income to shareholders in India (hereinafter referred to as “**Buyback Tax**”) and such tax obligation is to be discharged by the Company. Further, the Buyback of Equity Shares may be subject to taxation in India and/or in the country of residence of the Eligible Shareholders. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buyback.
- 6.11 The Company has complied with and is in compliance with Regulation 5(viii) of the Buyback Regulations read

with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

6.12 The Buyback from the Eligible Shareholders who are residents outside India including foreign nationals, foreign portfolio investors, foreign institutional investors and foreign corporate bodies, erstwhile overseas corporate bodies, and non-resident Indians etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under the Foreign Exchange Management Act, 1999, as amended and the rules and regulations framed thereunder, Income Tax Act and rules framed there under, and that such approvals shall be required to be taken by such Non-Resident Shareholders.

6.13 Shareholding of the Promoters and members of the Promoter Group, persons in control and directors of the Promoters and members of the Promoter Group entities and persons in control

The aggregate shareholding of the Promoter, members of the Promoter Group, and of persons who are in control of the Company, as on the date of the Board Meeting and date of this Letter of Offer is as follows

Sr. No.	Name	Promoter/ Promoter Group	Number of Equity Shares	% of paid up equity share capital
1.	Vikram Somany	Promoter	9,45,847	7.27
2.	Deepshikha Khaitan	Promoter	3,39,116	2.61
3.	Smiti Somany	Promoter	13,42,240	10.32
4.	Pooja Jain Somany	Promoter Group	2,00,000	1.54
5.	Vikram Investment Company Private Limited	Promoter	29,00,275	22.30
6.	Rekha Commercial Private Limited	Promoter	5,32,388	4.09
7.	Trisure Promotions & Tradings Private Limited	Promoter	4,84,400	3.72
8.	Suvinay Trading & Investment Co. Ltd.	Promoter	3,22,808	2.48
9.	Madhusudan Industries Limited	Promoter Group	18,065	0.14
Total Shares			70,85,139	54.48

6.14 The aggregate shareholding of the Directors of Promoters and members of the Promoter Group (where the Promoter Group entities are Companies/ body corporates) as on the date of the Board Meeting and date of this Letter of Offer is as follows:

Sr. No.	Name of the Directors of Promoter Group Entity	Name of the Promoter Group Entity	Number of Equity Shares	% shareholding
1	Prem Chand Surana	Madhusudan Industries Limited	102	Negligible
2	P K Shashidharan		10	Negligible
3	Rajesh B Shah		22	Negligible
4	Yogendra Jhaveri		150	Negligible
5	Daarpan Shah		Nil	Nil

Sr. No.	Name of the Directors of Promoter Group Entity	Name of the Promoter Group Entity	Number of Equity Shares	% shareholding
6	Dipti Zaveri		Nil	Nil
7	Arun Kumar Choudhary	Rekha Commercial Private Limited	Nil	Nil
8	Anil Kumar Maskara		03	Negligible
9	Dipanwita Roy		07	Negligible
10	Murari Lal Agarwala	Suvinay Trading & Investment Co Limited	350	Negligible
11	Anil Kumar Maskara		03	Negligible
12	Dipanwita Roy		07	Negligible
13	Murari Lal Agarwala	Trisure Promotions & Tradings Private Limited	350	Negligible
14	Meena Mishra Chowdhary		05	Negligible
15	Deepak Chaudhary		02	Negligible
16	Arun Kumar Chaudhary	Vikram Investment Company Private Limited	Nil	Nil
17	Meena Mishra Chowdhary		05	Negligible
18	Harsh Kanungo		05	Negligible

6.15 Shareholding of the Directors and/ or the key managerial personnel of the Company

The aggregate shareholding of the Directors and KMP's of the Company as on the date of the Board Meeting and date of this Letter of Offer is as follows:

Sr. No.	Name of the Directors/ KMPs	Designation	Number of Equity Shares	% of shareholding
1.	Vikram Somany	Chairman & Managing Director	9,45,847	7.27%
2.	Deepshikha Khaitan	Joint Managing Director	3,39,116	2.61%
3.	Anupam Gupta	Executive Director (Technical)	Nil	Nil
4.	Surendra Singh Baid	Independent Director	Nil	Nil
5.	Akriti Jain	Independent Director	Nil	Nil
6.	Ravi Bhamidipaty	Independent Director	Nil	Nil
7.	Anandh Sundar	Independent Director	Nil	Nil
8.	Vikas Kothari	Chief Financial Officer	2	Negligible
9.	Hemal Sadiwala	Company Secretary	2	Negligible
Total Shares			12,84,967	9.88%

6.16 Except as provided below, no Equity Shares were purchased or sold (either through the Stock Exchanges or off market transaction) by the Promoter and Promoter Group, directors of the Promoter company and Directors and KMPs of the Company, during a period of 12 (twelve) months preceding the date of the Public Announcement

i.e., August 06, 2024 and from the date of the Public Announcement i.e, Tuesday August 06, 2024 till the date of this Letter of Offer.

Sr. No.	Name	Number of shares acquired/sold	Nature of transaction	Minimum price (in INR)	Maximum price (in INR)	Date of minimum price	Date of maximum price
1	Rajesh B. Shah	(490)	Open Market Sale	7,595	7,600	June 11, 2024	June 11, 2024
2	Prem Chand Surana	(10)	Open Market Sale	9,675	9,675	September 01, 2023	September 01, 2023

7. INTENTION OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO TENDER THEIR EQUITY SHARES IN THE BUYBACK

7.1 In terms of the Buyback Regulations, under the Tender Offer route, the Promoter and Promoter Group and persons in control of the Company have an option to participate in the Buyback. In this regard, 7 (seven) members from the Promoters and members of the Promoter Group have expressed their intention to participate in the Buyback by way of their letters each dated August 05, 2024 and may tender up to: (i) an aggregate maximum of 68,67,074 Equity Shares (as detailed below); or (ii) such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations, the details of which are mentioned below:

Sr. No.	Name of the Promoter	Maximum Number of Equity Shares intended to be offered in the Buyback
1.	Vikram Somany	9,45,847
2.	Deepshikha Khaitan	3,39,116
3.	Smiti Somany	13,42,240
4.	Vikram Investment Company Private Limited	29,00,275
5.	Rekha Commercial Private Limited	5,32,388
6.	Trisure Promotions & Tradings Private Limited	4,84,400
7.	Suvinay Trading & Investment Co. Ltd.	3,22,808
Total Shares		68,67,074

7.2 Since the entire shareholding of the Promoters is in dematerialised form, the details of the date and price of acquisition/sale of the Equity Shares of the Promoters who intend to participate in the Buyback is set out below:

VIKRAM SOMANY

Sr. No.	Date of Acquisition / Sale	Nature of transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue price/ transfer price per Equity Share (in INR)	Cumulative holding
1	December 26, 2001	Demerger ⁽¹⁾	5	4,58,264	-	-	4,58,264
2	September 06, 2010	Bonus Shares ⁽²⁾ (1:1)	5	4,58,264	-	-	9,16,528
3	February 23, 2011	Open Market Purchase	5	16,149	Cash	168	9,32,677
4	March 28, 2011	Open Market Purchase	5	30,276	Cash	161	9,62,953
5	February 10, 2012	Open Market Purchase	5	8,500	Cash	205	9,71,453
6	February 14, 2012	Open Market Purchase	5	9,000	Cash	205	9,80,453
7	February 16, 2012	Open Market Purchase	5	8,000	Cash	210	9,88,453
8	March 05, 2013	Open Market Purchase	5	7,000	Cash	428	9,95,453
9	April 03 2013	Open Market Purchase	5	5,000	Cash	455	10,00,453
10	July 25, 2013	Open Market Purchase	5	7,000	Cash	516	10,07,453
11	August 02, 2013	Open Market Purchase	5	7,000	Cash	526	10,14,453
12	August 06, 2013	Open Market Purchase	5	5,000	Cash	513	10,19,453
13	August 28, 2013	Open Market Purchase	5	1,500	Cash	467	10,20,953
14	December 12, 2013	Open Market Purchase	5	5,000	Cash	632	10,25,953
15	December 31, 2013	Open Market Purchase	5	4,000	Cash	705	10,29,953
16	February 18 2014	Open Market Purchase	5	8,000	Cash	760	10,37,953
17	April 09, 2014	Open Market Purchase	5	4,000	Cash	840	10,41,953
18	April 27, 2015	Open Market Purchase	5	1,394	Cash	2065	10,43,347
19	August 03,	Open	5	2,500	Cash	2020 ⁽³⁾	10,45,847

Sr. No.	Date of Acquisition / Sale	Nature of transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue price/ transfer price per Equity Share (in INR)	Cumulative holding
	2015	Market Purchase					
20	September 11, 2017	Inter Se Promoter Transfer (Through Gift)	5	(1,00,000)	NA	NA	9,45,847

SMITI SOMANY

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
1.	December 26, 2001	Demerger ⁽¹⁾	5	1,75,860	-	-	1,75,860
2.	September 6, 2010	Bonus Shares ⁽²⁾ (1:1)	5	1,75,860	-	-	3,51,720
3.	February 17, 2012	Open Market Purchase	5	5,000	Cash	206	3,56,720
4.	February 18, 2012	Open Market Purchase	5	6,500	Cash	213	3,63,220
5.	October 08, 2012	Transmission of Shares (due to death of the transferor, i.e., Vidush Somany)	5	13,75,020	-	-	17,38,240
6.	March 21, 2013	Open Market Purchase	5	4,000	Cash	462	17,42,240
7.	March 25, 2014	Inter Se Promoter Transfer (Transfer by family arrangement)	5	(2,00,000)	-	-	15,42,240
8.	January 02, 2017	Inter Se Promoter Transfer (Through Gift)	5	(2,00,000)	-	-	13,42,240

DEEPSHIKHA KHAITAN

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
1	December 26, 2001	Demerger ⁽¹⁾	5	19,558	-	-	19,558

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
2	September 06, 2010	Bonus Shares ⁽²⁾ (1:1)	5	19,558	-	-	39,116
3	January 02, 2017	Inter Se Transfer (Through Gift)	5	2,00,000	-	-	2,39,116
4	September 11, 2017	Inter Se Transfer (Through Gift)	5	1,00,000	-	-	3,39,116

VIKRAM INVESTMENT COMPANY PRIVATE LIMITED

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
1	December 26, 2001	Demerger ⁽¹⁾	5	9,36,640	-	-	9,36,640
2	August 01, 2006	Inter-Se Transfer between Promoters	5	2,94,600	Cash	65	12,31,240
3	March 30, 2007	Preferential Allotment-Conversion of warrants	5	50,000	Cash	123	12,81,240
4	August 23, 2007	Preferential Allotment-Conversion of warrants	5	1,10,000	Cash	123	13,91,240
5	September 06, 2010	Bonus Shares ⁽²⁾ (1:1)	5	13,91,240	-	-	27,82,480
6	February 23, 2011	Open Market Purchase	5	21,522	Cash	164	28,04,002
7	March 28, 2011	Open Market Purchase	5	96,273	Cash	160	29,00,275

TRISURE PROMOTIONS & TRADING PRIVATE LIMITED

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
1	December 26, 2001	Demerger ⁽¹⁾	5	2,42,200	-	-	2,42,200
2	September 06, 2010	Bonus Shares (1:1) ⁽²⁾	5	2,42,200	-	-	4,84,400

SUVINAY TRADING & INVESTMENT CO. LTD.

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
1	December 26, 2001	Demerger ⁽¹⁾	5	1,29,710	-	-	1,29,710
2	September 06, 2010	Bonus Shares ⁽²⁾ (1:1)	5	1,29,710	-	-	2,59,420
3	August 10, 2020	Amalgamation ⁽⁴⁾	5	63,388	-	-	3,22,808

REKHA COMMERCIAL PRIVATE LIMITED

Sr. No.	Date of Acquisition/ Sale	Nature of Transaction	Face Value (in INR)	Number of Equity Shares acquired/ (sold)	Consideration (Cash, other than cash etc.)	Issue Price/ Transfer Price per Equity Share (in INR)	Cumulative holding
1	December 26, 2001	Demerger ⁽¹⁾	5	2,66,194	-	-	2,66,194
2	September 06, 2010	Bonus Shares ⁽²⁾ (1:1)	5	2,66,194	-	-	5,32,388

Note:

- (1) Equity shares of Cera Sanitaryware Limited (erstwhile known as Madhusudan Oils and Fats Limited) were allotted against the Equity shares held in Madhusudan Industries Ltd, pursuant to Scheme of Arrangement and Restructuring in the nature of De-merger.
- (2) Allotment Date for Bonus Shares.
- (3) The VWAP as per NSE on the day of the transaction has been considered for the cost of acquisition.
- (4) Venugopal Holdings Ltd holding 63,388 Equity Shares of Cera Sanitaryware Limited amalgamated with Suvinay Trading & Investment Co. Ltd. (an entity forming part of the Promoter Group of Cera Sanitaryware Limited) by virtue of the Scheme of Amalgamation dated December 19, 2019, as approved by Hon'ble National Company Law Tribunal, Kolkata Bench.

- 7.3 Pursuant to the proposed Buyback and depending on the response to the Buyback, the aggregate voting rights of the Promoters and members of the Promoter Group and Directors and KMP's of the Company, in the Company may change from the existing shareholding of the total equity capital and voting rights of the Company. Assuming response to the Buyback is to the extent of 100% (full Acceptance) from all the public Equity Shareholders up to their Entitlement and assuming full acceptance of Equity Shares in the Buyback as per the Entitlement from those Promoters and members of the Promoter Group who have expressed their intention to participate, the aggregate shareholding of the Promoters and members of the Promoter Group of the Company, post Buyback will increase to 54.54% of the post Buyback equity share capital of the Company. Any further increase in the voting rights of the Promoters and members of the Promoter Group and Directors and KMP's of the Company will not result in any change in control of the Company. Please refer to paragraph 15.4 on page 29 of this Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter and members of the Promoter Group in the Company.
- 7.4 The Buyback will not result in any benefit to the Promoters and Promoter Group or any Directors or KMP of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback.
- 7.5 The Company is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the Stock Exchanges.
- 7.6 Post the Buyback, the public shareholding of the Company shall not fall below the minimum level as required under Regulation 38 of the SEBI Listing Regulations.

8. AUTHORITY FOR THE BUYBACK

- 8.1 The Buyback is being undertaken in accordance with Article 50 of the Articles of Association, Sections 68, 69, 70 and other applicable provisions of the Companies Act, and applicable rules thereunder, including the Share Capital and Debentures Rules, to the extent applicable, and the Buyback Regulations and SEBI Listing Regulations. The Buyback is subject to receipt of such approvals, permissions, sanctions and exemptions, as may be required under the applicable laws from regulatory and / or statutory authorities including from SEBI, BSE and/ or NSE.

8.2 The Buyback has been authorised by the resolution of the Board of Directors passed at their meeting which was held on August 05, 2024.

9. NECESSITY OF THE BUYBACK

The Buyback is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term, the Company's dividend pay-out trend and cash reserves and for returning surplus funds to the shareholders in an effective and efficient manner. The Buyback is being undertaken, *inter-alia*, for the following reasons:

- 9.1. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares, thereby, enhancing the overall return to shareholders;
- 9.2. The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i) (n) of the Buyback Regulations;
- 9.3. The Buyback may help in improving its return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and
- 9.4. The Buyback gives an option to the Eligible Shareholders to either (a) participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback, or (b) not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without any additional investment.

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

- 10.1 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 participation in the Buyback, the funds deployed by the Company towards the Buyback would be an aggregate maximum amount of INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only) which excludes the Transaction Costs.
- 10.2 The Company believes that the Buyback will not in any manner impair its ability to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is likely to result in improvement in earning per Equity Share and enhance the return on equity. The Buyback is being undertaken, *inter alia*, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, enhancing the overall return to the Equity Shareholders. The Buyback of Equity Shares shall not affect the existing management structure of the Company.
- 10.3 7 (Seven) members from the Promoters and the and the members of the Promoter Group have expressed their intention to participate in the Buyback. For further details, see "Intention of the Promoters and members of the Promoter Group and Directors and KMP's of the Company to tender their Equity Shares in the Buyback" on paragraph 7 on page 20 of this Letter of Offer. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group and persons in control post Buyback may increase from 54.48%, which is the shareholding as on date, to 54.54% of the post Buyback Equity Share capital of the Company and the aggregate shareholding of the public may decrease from 45.52%, which is the public shareholding as on date, to 45.46% of the post Buyback Equity Share capital of the Company.
- 10.4 The Buyback is not expected to result in a change in control or otherwise affect the existing management structure of the Company.
- 10.5 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders (including NRIs, FIIs and FPIs), Indian financial institutions, banks and other shareholders, the shareholding under each category may undergo a change. The FIIs/FPIs are advised to ensure that their investment in the Company continues to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 10.6 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 its paid up equity share capital and free reserves post completion of the Buyback, even if the response to the Buyback is to the extent of 100% (full acceptance), on a consolidated and standalone basis.
- 10.7 As per Regulation 24(i)(e) of the Buyback Regulations, the Promoters and members of Promoter Group, and their associates,

have not dealt in the Equity Shares or other specified securities of the Company either through the Stock Exchanges or off-market transactions (including inter-se transfer of Equity Shares among the Promoters and Members of Promoter Group) from the date of the Board Meeting till the date of this Letter of Offer and shall not deal in the Equity Shares or other specified securities of the Company either through the Stock Exchanges or off-market transactions (including inter-se transfer of Equity Shares among the Promoters and members of Promoter Group) from the date of this Letter of Offer till the date of closing of the Buyback offer.

- 10.8 Unless otherwise as may be specifically permitted by any relaxation issued by SEBI and / or any other regulatory authority, the Company shall not raise further capital for a period of 1 (one) year from the expiry of the buyback period i.e., the date on which the payment of consideration to Shareholders who have accepted the Buyback Offer is made except in discharge of subsisting obligations such as conversion of warrants, stock options, sweat equity or conversion of preference shares or debentures into Equity Shares. Further, the Company shall not issue any Equity Shares or other securities (including by way of bonus issue till the date on which the payment of consideration to Shareholders who have accepted the Buyback Offer is made in accordance with the Companies Act, 2013 and the Buyback Regulations. The Company shall not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 10.9 The Company is not undertaking the Buyback so as to delist its shares from the Stock Exchanges.
- 10.10 Salient financial parameters consequent to the Buyback based on the financial information of audited standalone and consolidated financial statements as on March 31, 2024, are set forth below:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback*	Pre-Buyback	Post-Buyback*
Net Worth (in INR Lakhs)	1,34,254.10	1,21,254.10	1,34,578.68	1,21,578.68
Return on Net Worth (%)	19.04%	20.08%	18.98%	20.01%
Basic earnings per Equity Share (INR) of 5 each	183.89	185.44	183.76	185.31
Book value per share (INR)	5/-	5/-	5/-	5/-
Price/Earnings ratio (BSE) **	36.86	36.55	36.88	36.58
Price/Earnings ratio (NSE) **	36.88	36.58	36.91	36.60
Total Debt/Equity Ratio (Times)	0.03	0.03	0.03	0.04

*The post-buyback numbers are calculated by reducing the Net Worth by the proposed Buyback amount of INR 130,00,00,000/- (assuming full acceptance), without factoring in tax on buy back of shares and any impact in the statement of profit & loss. Additionally, the calculation of Net Worth and key ratios is done after adjusting the number of shares bought back and corresponding amount, to the figures as per audited financial statements for the year ended March 31, 2024. The Net Worth etc. are not separately considered as at date of Buyback or any subsequent date.

** Share price used to calculate P/E has been taken as closing price of March 28, 2024, on BSE and NSE i.e., INR 6,777.75 and INR 6,782.50 respectively.

The key ratios have been computed as below:

Key Ratios	Basis
Net Worth	Paid-up equity share capital and Reserves & Surplus and Non-controlling interests
Return on Net Worth (%)	Net profit attributable to Owners of the Company / Average Net Worth
Average Net Worth	(Net Worth as at period end + Net Worth as at immediately preceding year end)/2
Basic earnings per equity share (INR)	Net profit attributable to Equity Shareholders / weighted average number of Equity Shares outstanding during the period
Book value per equity share (INR)	Net Worth / Number of Equity Shares outstanding at period end
Price/Earnings ratio	Market value per Equity Share/ Basic earnings per Equity Share
Total Debt	Current Borrowings and Non-current Borrowings
Total Debt/Equity ratio	Total Debt/ Equity (Paid-up equity share capital and Reserves & Surplus)

11. BASIS OF CALCULATING THE BUYBACK OFFER PRICE

- 11.1 The Equity Shares of the Company are proposed to be bought back at a price of INR 12,000/- (Indian Rupees Twelve

Thousand only) per share (“**Buyback Price**”).

- 11.2 The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, the net worth of the Company, and impact on other financial parameters and the possible impact of the Buyback on the earnings per Equity Share.
- 11.3 The Buyback Price represents:
- (a) Premium of 43.90% and 42.11% over the volume weighted average market price of the Equity Shares on the NSE and the BSE, respectively, during the 3 (three) months preceding July 26, 2024, being the date of intimation to the Stock Exchanges regarding the date of the Board Meeting (“**Intimation Date**”)
 - (b) Premium of 31.90% and 32.51% over the volume weighted average market price of the Equity Shares on the NSE and BSE respectively, during the 2 (two) weeks period preceding Intimation Date.
 - (c) Premium of 36.86% and 36.70% over the closing price of the Equity Shares on the NSE and the BSE respectively, as on the Intimation Date.
 - (d) Premium of 34.24% and 34.45% over the closing price of the Equity Share on NSE and BSE, respectively, as on August 02, 2024, being the working day preceding the date of the Board Meeting.
 - (e) Premium of 27.16% and 27.17% over the closing price of the Equity Share on NSE and BSE, respectively, as on August 05, 2024, being the date of the Board Meeting.
- 11.4 The closing market price of the Equity Shares as on the Intimation Date was INR 8,768.20 and INR 8,778.05 and as on the date of the Board Meeting was INR 9,436.70 and INR 9,436.35 on the NSE and BSE, respectively.
- 11.5 For trends in the market price of the Equity Shares, please refer to paragraph 18 (*Stock Market Data*) on page 35 of this Letter of Offer.
- 11.6 For further details on certain financial ratios as on March 31, 2024 (“**Pre-Buyback**”) as derived from our standalone and consolidated audited financial statements and the corresponding ratios assuming full acceptance of Equity Shares in the Buyback (“**Post-Buyback**”), please refer to paragraph 17 (*Financial information about the Company*) on page 32 of this Letter of Offer.

12. SOURCES OF FUNDS FOR THE BUYBACK

- 12.1 Assuming full acceptance, the funds that would be utilised by the Company for the purpose of the Buyback of not exceeding 1,08,333 Equity Shares at a price of INR 12,000/- (Indian Rupees Twelve Thousand only) per Equity Share would be an aggregate maximum amount of INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only) excluding the Transaction Costs.
- 12.2 The funds for the implementation of the proposed Buyback will be sourced out of free reserves of the Company and/or such other source as may be permitted by the Buyback Regulations or the Companies Act.
- 12.3 The Company will transfer from its free reserves and/or such sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back pursuant to the Buyback to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in the subsequent audited financial statements.
- 12.4 The funds borrowed, if any, from banks and financial institutions will not be used for the purpose of the Buyback.

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

- 13.1 In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has appointed Kotak Mahindra Bank Limited having its registered office at 27 BKC, C27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 as the Escrow Agent for Buyback, and an Escrow Agreement dated August 08, 2024, is entered into amongst the Company, Manager to the Buyback and Escrow Agent.
- 13.2 In accordance with the Buyback Regulations and pursuant to the Escrow Agreement, the Company has opened an Escrow Account in the name and style of “Cera Sanitaryware Limited Buyback 2024– Escrow Account” with account number 0249882870 with the Escrow Agent. In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company deposited a sum of INR 28,00,00,000 (Indian Rupees Twenty Eight Crore Only) in cash in the Escrow Account, which is higher than the aggregate of 25% up to INR 100,00,00,000/- (Indian Rupees Hundred Crore Only) and 10% thereafter of the Buyback Offer Size within 2 working days of Public Announcement in accordance with the Buyback Regulations. In accordance with the Buyback Regulations, the Manager to the Buyback is empowered under the Escrow Agreement to operate

the Escrow Account.

14. FIRM FINANCIAL ARRANGEMENT

- 14.1 The Company has adequate and firm financial resources to fulfil its obligations under the Buyback and the same has been certified by Sapan Vasa & Co, Chartered Accountants (Firm Registration No: 120693W) through their proprietor, Sapan Tushar Vasa (Membership No: 109265), by their certificate dated August 06, 2024. The contact details of Sapan Vasa & Co, Chartered Accountants are set forth below:

Name: Sapan Vasa & Co, Chartered Accountants

Address: B-2 Usha Kiran, Opp Khanpur Gate, Khanpur, Ahmedabad - 380001

Tel.no: 079 25502985

Email : s_vasa@rediffmail.com

Membership No: 109265

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

15. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

15.1 The present and the post-Buyback capital structure of the Company are set forth below:

Particulars	Pre-Buyback	Post completion of the Buy-back [#]
Authorised share capital	INR 10,00,00,000 (2,00,00,000 Equity Shares of INR 5 each)	INR 10,00,00,000 (2,00,00,000 Equity Shares of INR 5 each)
Issued, subscribed and fully paid up share capital	INR 6,50,29,370 (1,30,05,874 Equity Shares of INR 5 each)	INR 6,44,87,705 (1,28,97,541 Equity Shares of INR 5 each)

[#] Assuming full acceptance of the Buyback. However, the post Buyback issued, subscribed and paid-up share capital may differ depending upon the actual number of Equity Shares bought back.

15.2 The Company has not undertaken any buyback in the last 3 (three) years from the date of this Letter of Offer.

15.3 As on the date of this Letter of Offer:

- all Equity Shares are fully paid-up and there are no partly paid-up shares or calls-in-arrears;
- there are no outstanding convertible securities;
- no scheme of amalgamation or compromise or arrangement pursuant to the Companies Act is pending in relation to the Company; and
- The Company confirms that it shall not issue, including through a bonus issue, Equity Shares or any other specified securities, from the date of the Board resolution approving the Buyback until the expiry of the Buyback Period in accordance with Regulation 24(i)(b) of the Buyback Regulations.

15.4 The shareholding pattern of the Company as on the Record Date i.e. August 16, 2024 (Pre-Buyback) and Post-Buyback is set forth below:

Category of Shareholder	Pre-Buyback		Post-Buyback [#]	
	No. of Equity Shares	% to the existing Equity Share capital	No. of Equity Shares	% to the post-Buy-back Equity Share Capital
Promoters and members of the Promoter Group, and persons acting in concert (collectively "the Promoters")	70,85,139	54.48	70,34,272	54.54
Foreign Investors (including Non-Resident Indians, FIIs and Foreign Mutual Funds)	30,50,372	23.45	58,63,269	45.46
Indian Financial Institutions / Banks & Mutual Funds promoted by Banks/ Institutions/IEPF/Insurance Company	8,88,273	6.83		
Others (Public, Public Bodies Corporate etc.)	19,82,090	15.24		
Total	1,30,05,874	100.00	1,28,97,541	100.00

[#] Assuming full acceptance of the Buyback, the issued, subscribed and paid-up equity share capital of the Company would be as fully set out in paragraph 15.1 of this Letter of Offer. Please refer to paragraph 10.3 of this Letter of Offer for details regarding shareholding (pre and post buyback) of the Promoters and members of the Promoter Group in the Company.

16. BRIEF INFORMATION ABOUT THE COMPANY

- 16.1 The Company was incorporated as a public limited company named 'Madhusudan Oils and Fats Limited' on July 17, 1998, under the Companies Act, 1956 with the Registrar of Companies (ROC), Gujarat vide certificate of incorporation dated July 17, 1998. Thereafter, name of the Company changed to Cera Sanitaryware Limited on November 1, 2002. The registered office of the Company is located at 9, GIDC Industrial Estate, Kadi- 382715, District Mehsana, Gujarat.
- 16.2 The Equity Shares were listed on BSE (Scrip code: 532443) on May 15, 2002, and NSE (Symbol: CERA) on November 02, 2007. The ISIN of the Equity Shares is INE739E01017.
- 16.3 The paid-up equity share capital of the Company for the year ended March 31, 2024 was INR 650.29 lakhs and total free reserves for the year ended March 31, 2024 was INR 1,33,603.81 lakhs, on a standalone basis and INR 1,33,928.39 lakhs on a consolidated basis.

16.4 History and Growth of Business

The Company is one of the leading manufacturers and traders of sanitarywares, faucetware, kitchen sinks, bathroom fittings, steam shower room, shower cubicles, shower partitions, bathtubs etc. under the brand CERA. Apart from the 'CERA' brand, the company has other brands viz Senator, Luxe and Lustre which cater to the luxury segment.

CERA was a division of Madhusudan Industries Limited, the parent company established in 1945, until CERA was de-merged in 2001 as a separate company. The Company employs over 2500 people in Kadi and produces 30 lakh pieces of Sanitaryware and 48 lakh pieces of faucetware per annum. The Company has total 10.325 MW of renewable energy sources segregated into 8.325 MW from Windfarms located in the state of Gujarat and 2 MW from Rooftop Solar panels within the Kadi Plant.

16.5 Financial Growth:

For the financial years ended March 31, 2022, 2023 and 2024, the Company recorded, on a standalone basis, revenue from operations of INR 1,44,175.57 lakhs, INR 1,80,318.40 lakhs and INR 1,87,123.47 lakhs, respectively and profit after tax of INR 14,935.98 lakhs, INR 20,965.58 lakhs, and INR 23,916.90, respectively. For the financial years ended March 31, 2022, 2023 and 2024, the Company recorded, on a consolidated basis, revenue from operations of INR 1,44,583.00 lakhs, INR 1,81,049.48 lakhs and INR 1,87,941.18 lakhs, respectively and profit after tax of INR 15,295.24, INR 21,105.09 and INR 24,131.73 lakhs, respectively. For further details on financial information about the Company for the financial years ended March 31, 2022, March 31, 2023, and March 31, 2024, refer to paragraph 17 (*Financial Information about the Company*) on page 32 of this Letter of Offer.

- 16.6 The following table sets forth the history of the equity share capital of the Company since incorporation:

Date of allotment	Number of equity shares	Face value per equity share (INR)	Issue price per equity share (INR)	Nature of consideration (cash, bonus, consideration other than cash)	Cumulative number of equity shares	Cumulative paid up equity share capital (INR)	Nature of Issue
June 17, 1998 ⁽¹⁾	7	10	10	Cash	7	70	Subscription to MOA
October 13, 2001	14	5	NA	Stock Split	14	70	Split of INR 10 to INR 5
December 26, 2001	53,75,000	5	NA	Other than cash	53,75,014	2,68,75,070	Demerger ⁽²⁾
March 10, 2007	5,50,000	5	155	Cash	59,25,014	2,96,25,070	Private Placement to ACK Realty India Ltd., Mauritius.
March 30, 2007	1,50,000	5	123	Cash	60,75,014	3,03,75,070	Preferential Allotment of shares pursuant to conversion of warrants to Vidush Somany and Vikram Investment Co. Ltd.
August 23, 2007	1,10,000	5	123	Cash	61,85,014	3,09,25,070	Preferential Allotment of shares pursuant to

Date of allotment	Number of equity shares	Face value per equity share (INR)	Issue price per equity share (INR)	Nature of consideration (cash, bonus, consideration other than cash)	Cumulative number of equity shares	Cumulative paid up equity share capital (INR)	Nature of Issue
							conversion of warrants to Vikram Investment Co Ltd
September 12, 2008	25,850	5	61	Cash	62,10,864	3,10,54,320	ESOS-2007 ⁽³⁾
January 18, 2010	78,958	5	61	Cash	62,89,822	3,14,49,110	ESOS-2007 ⁽³⁾
August 23, 2010	37,615	5	61	Cash	63,27,437	3,16,37,185	ESOS-2007 ⁽³⁾
September 06, 2010	63,27,437	5	NA	Bonus	1,26,54,874	6,32,74,370	Bonus Issue in ratio of 1:1
March 05, 2015	3,51,000	5	2,011.5	Cash	1,30,05,874	6,50,29,370	Private Placement to India 2020 Fund II Limited

¹ Initial subscribers to the Memorandum of Association and Articles of Association.

² Equity shares of Cera Sanitaryware limited (erstwhile known as Madhusudan Oils and Fats Limited) were allotted against the Equity shares held in Madhusudan Industries Ltd, pursuant to Scheme of Arrangement and Restructuring in the nature of Demerger.

³ Employee Stock Option Scheme

16.7 The following table sets forth details regarding the Board of the Directors as on the date of this Letter of Offer:

Name, Occupation, Age (in years) and DIN	Designation	Qualification	Date of appointment / re-appointment*	Other directorships (in other companies) and designated partnerships in LLPs
Vikram Somany Age: 75 Years DIN: 00048827	Chairman & Managing Director	B.Sc. F.C.M.I (U.K)	November 27, 2001 (Reappointed on July 01, 2022)	i. Asopalav Plantations Private Limited ii. Birla Brothers Private Limited
Deepshikha Khaitan Age: 49 Years DIN: 03365068	Joint Managing Director	B.Sc. Hons. (Economics), LLB	March 29, 2014 (Reappointed on April 01, 2020)	i. Indian Council of Sanitaryware Manufactures ii. Star Agrocom Private Limited.
Anupam Gupta Age: 56 Years DIN: 09290890	Executive Director (Technical)	B.E. (Electrical) & MBA	October 15, 2021	Milo Tile LLP
Surendra Singh Baid Age: 73 Years DIN: 02736988	Independent Director	B.Sc. Tech Ceramics, B.H.U	April 18, 2018 (Reappointed on April 01, 2023)	Nil
Akriti Jain Age: 38 Years DIN: 08259413	Independent Director	B.A.(LLB) (Hons.), LLM (London)	November 1, 2018 (Reappointed on April 01, 2024)	Universal Petro-Chemicals Ltd-
Ravi Bhamidipaty Age: 61 Years DIN: 00160891	Independent Director	CA, CS, ICWA, CFA	August 4, 2022	i. Svelte Developers Private Limited

				ii. TCT Ventures Private Limited.
Anandh Sundar Age: 36 Years DIN: 10409065	Independent Director	CA, MBA (IIM Ahmedabad)	February 12, 2024	i. Kenvision Robotics and Inspection Automation Private Limited ii. Thyrocare Technologies Limited; iii. Nuclear Healthcare Limited

* Containing original date of appointment and latest date of reappointment, wherever applicable.

16.8 The changes in our Board during the three years immediately preceding the date of this Letter of Offer:

Name of Director	Appointment/ Cessa- tion	Effective Date	Reasons
Atul Sanghvi	Cessation	October 14, 2021	Resignation due to personal reasons
Anupam Gupta	Appointment	October 15, 2021	Appointed as an Executive Director (Technical)
Ayush Bagla	Re-appointment	May 14, 2022	On completion of existing term
Vikram Somany	Re-appointment	July 1, 2022	On completion of existing term
Ravi Bhamidipaty	Appointment	August 4, 2022	Appointed as an Independent Director
Surendra Singh Baid	Re-appointment	April 1, 2023	Re-appointment for Second term
Anandh Sundar	Appointment	February 12, 2024	Appointed as an Independent Director
Sajan Kumar Pasari	Cessation	March 31, 2024	On Completion of term as an Independent Director
Lalit Kumar Bohania	Cessation	March 31, 2024	On Completion of term as an Independent Director
Ayush Bagla	Cessation	March 31, 2024	Resignation to pursue new avenues
Akriti Jain	Re-appointment	April 1, 2024	Re-appointment for Second term

16.9 The Buyback will not result in any benefit to any directors of the Company, Promoters and members of the Promoter Group, and persons in control of the Company or any directors and KMP's of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback. The Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations. Any change in voting rights of the Promoter Group of the Company pursuant to completion of Buyback will not result in any change in control over the Company.

16.10 No action has been taken by SEBI in the past against the members of the Promoter Group or Directors of the Company.

17. FINANCIAL INFORMATION ABOUT THE COMPANY

17.1 The selected financial information, as extracted from the unaudited standalone financial statements for the 3 (three) months ended June 30, 2024, and the audited standalone financial statements of the Company for the last three financial years ended as on March 31, 2024, March 31, 2023, and March 31, 2022, is detailed below:

(INR in Lakhs)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the 3 (three) month period ended June 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	39,801.31	1,87,123.47	1,80,318.40	1,44,175.57
Other Income	1,627.28	6,114.59	3,023.26	2,278.05
Total Income	41,428.59	1,93,238.06	1,83,341.66	1,46,453.62
Total Expense (excluding Interest, depreciation & Amortization, Tax and Exceptional Items)	34,187.58	1,57,694.99	1,51,084.78	1,22,050.86

Interest Expense/ (Income)	115.81	529.93	540.07	458.71
Depreciation & Amortization	841.95	3,437.37	3,044.24	3,043.00
Profit Before Exceptional Items and Tax	6,283.25	31,575.77	28,672.57	20,901.05
Exceptional Items	0.00	(155.57)	(500.00)	(573.80)
Profit Before Tax from continuing operations	6,283.25	31,420.20	28,172.57	20,327.25
Tax Expenses (including Deferred Tax)	1,586.69	7,503.30	7,206.99	5,391.27
Net Profit After Tax from continuing operations	4,696.56	23,916.90	20,965.58	14,935.98
Net Profit from discontinued operations	0.00	0.00	0.00	0.00
Net Profit after Tax	4,696.56	23,916.90	20,965.58	14,935.98

(INR in Lakhs)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Paid-up equity share capital	650.29	650.29	650.29	650.29
Reserve & Surplus	1,38,281.66	1,33,603.81	1,16,271.25	99,924.28
Net worth	1,38,931.95	1,34,254.10	1,16,921.54	1,00,574.54
Non-current Borrowings (including lease liabilities)	2,078.93	1,683.36	2,007.98	1,151.99
Current Borrowings (including lease liabilities)	1,476.47	2,326.06	2,552.28	2,547.93
Total Debt ⁽¹⁾	3,555.40	4,009.42	4,560.26	3,699.92
Secured Loans	1,077.34	1,629.33	1,829.42	1,677.17
Unsecured Loans	2,478.06	2,380.09	2,730.84	2,022.75

⁽¹⁾Total Debt includes Lease liabilities, non-current borrowings (including current maturities) and current borrowings

17.2 Key financial ratios on standalone basis are as under:

Key Ratios	Unaudited (IND-AS)	Audited (IND-AS)		
	For the 3 (three) month period ended June 30, 2024*	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic Earnings per Equity Share (INR) of INR 5 each	36.11	183.89	161.20	114.84
Diluted Earnings per Equity Share (INR) of INR 5 each	36.11	183.89	161.20	114.84
Book value per Equity Share (INR)	1,068.22	1,032.26	898.99	773.30
Total Debt/Equity Ratio (Times)	0.03	0.03	0.04	0.04
Return on Net worth (%)	3.44%	19.04%	19.28%	15.89%

*Figures for the 3 (three) months period ended June 30, 2024, are not annualized

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per Share (INR)	Net Profit attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Diluted Earnings per Equity Share (INR)	Net Profit attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Book value per Equity Share (INR)	Net worth / Number of equity shares outstanding at period end

Key Ratios	Basis
Total Debt/Equity Ratio	Total Debt / Equity (Paid-up equity share capital and Reserves & Surplus)
Return on Net worth (%)	Net Profit After Tax / Average Net Worth
Total Debt	Lease liabilities, non-current borrowings (including current maturities) and current borrowings
Net Worth	Paid-up equity share capital and Reserves & Surplus
Average Net Worth	(Net Worth as at period end + Net Worth as at immediately preceding year end)/2

17.3 The selected financial information, as extracted the unaudited consolidated financial statements for the 3 (three) months ended June 30, 2024, and the audited consolidated financial statements of the Company for the last three financial years ended as on March 31, 2024, March 31, 2023, and March 31, 2022, and is detailed below:

(INR in Lakhs)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the 3 (three) month period ended June 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	40,071.18	1,87,941.18	1,81,049.48	1,44,583.00
Other Income	1,590.55	5,950.49	2,838.09	2,364.59
Total Income	41,661.73	1,93,891.67	1,83,887.57	1,46,947.59
Total Expense (excluding Interest, depreciation & Amortization, Tax and Exceptional Items)	34,265.05	1,57,614.20	1,51,033.48	1,21,709.59
Interest Expense/ (Income)	125.96	582.09	604.83	528.15
Depreciation & Amortization	896.53	3,654.83	3,260.74	3,240.74
Profit Before Exceptional Items and Tax	6,374.19	32,040.55	28,988.52	21,469.11
Exceptional Items	0.00	(155.57)	(500.00)	(573.80)
Profit Before Tax from continuing operations	6,374.19	31,884.98	28,488.52	20,895.31
Tax Expenses (including Deferred Tax)	1,628.41	7,753.25	7,383.43	5,600.83
Net Profit After Tax from continuing operations and before share of profit of Joint Ventures and associate	4,745.78	24,131.73	21,105.09	15,294.48
Share of profit / (loss) of Joint Ventures and Associate [Net of Tax]	0.00	0.00	0.00	0.76
Net Profit from continuing operations	4,745.78	24,131.73	21,105.09	15,295.24
Net Profit from discontinued operations	0.00	0.00	0.00	0.00
Net Profit after Tax	4,745.78	24,131.73	21,105.09	15,295.24
Net Profit attributable to Owners of the Company (before Other Comprehensive Income)	4,705.66	23,900.18	20,940.48	15,109.58

(INR in Lakhs)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Paid-up equity share capital	650.29	650.29	650.29	650.29
Reserve & Surplus	1,38,615.11	1,33,928.39	1,16,613.48	1,00,864.88
Net worth	1,39,265.40	1,34,578.68	1,17,263.77	1,01,515.17
Non-current Borrowings (including lease liabilities)	2,309.31	1,941.67	2,445.27	1,754.62
Current Borrowings (including lease liabilities)	1,637.60	2,505.04	2,863.96	2,766.44
Total Debt ⁽¹⁾	3,946.91	4,446.71	5,309.23	4,521.06

Secured Loans	1455.92	2,046.13	2,530.19	2,425.03
Unsecured Loans	2,490.99	2,400.58	2,779.04	2,096.03

⁽ⁱ⁾ Total Debt includes Lease liabilities, non-current borrowings (including current maturities) and current borrowings

17.4 Key financial ratios on consolidated basis are as under:

Key Ratios	Unaudited (IND-AS)	Audited (IND-AS)		
	For the 3 (three) month period ended June 30 2024*	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic Earnings per Equity Share (INR) of INR 5 each	36.18	183.76	161.01	116.18
Diluted Earnings per Equity Share (INR) of INR 5 each	36.18	183.76	161.01	116.18
Book value per Equity Share (INR)	1,070.79	1,034.75	901.62	780.53
Total Debt/Equity Ratio (Times)	0.03	0.03	0.05	0.04
Return on Net worth (%)	3.44%	18.98%	19.14%	16.02%

*Figures for the three months period ended June 30, 2024 are not annualized

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per Share (INR)	Net Profit attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Diluted Earnings per Equity Share (INR)	Net Profit attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the period
Book value per Equity Share (INR)	Net worth / Number of Equity Shares outstanding at period end
Total Debt/Equity Ratio	Total Debt / Equity (Paid-up equity share capital and Reserves & Surplus)
Return on Net worth (%)	Net Profit attributable to Owners of the Company / Average Net Worth
Total Debt	Lease liabilities, non-current borrowings (including current maturities) and current borrowings
Net Worth	Net Worth represents the net equity of the Group excluding non-controlling interest
Average Net Worth	(Net Worth as at period end + Net Worth as at immediately preceding year end)/2

17.5 The Company hereby declares that it will comply with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, if it becomes applicable, in connection with the Buyback.

17.6 The Company hereby also declares that it has complied with and will comply with Sections 68, 69 and 70 of the Companies Act, and all other provisions of the Companies Act, as may be applicable to the Buyback.

18. STOCK MARKET DATA

18.1 The Equity Shares are currently traded in compulsory dematerialised mode under the trading code(s) 532443 at BSE and "CERA" at NSE. The ISIN of the Equity Shares is INE739E01017.

18.2 The high, low and average market prices in preceding three financial years and the monthly high, low and average market prices for the 6 (six) months preceding the date of publication of the Public Announcement i.e. Wednesday, August 07, 2024 and their corresponding volumes on BSE and NSE are given below:

BSE

Period	High (in INR) [#]	Date of High	Number of Equity Shares traded on that date	Low (in INR) ^{##}	Date of Low	Number of Equity Shares traded on that date	Average Price (in INR) [*]	Total volume of Equity Shares traded in the period (Number of Equity Shares)
<i>Preceding three years</i>								

Period	High (in INR) [#]	Date of High	Number of Equity Shares traded on that date	Low (in INR) ^{##}	Date of Low	Number of Equity Shares traded on that date	Average Price (in INR) [*]	Total volume of Equity Shares traded in the period (Number of Equity Shares)
Financial year 2024	9,782.25	September 01, 2023	870	5,988.80	April 26, 2023	1,276	7,888.22	3,54,606
Financial year 2023	6,789.05	February 22, 2023	3,454	3,518.60	May 10, 2022	5,784	5,090.05	4,17,317
Financial year 2022	6,430.45	October 19, 2021	3,111	3,650.00	May 12, 2021	646	4,604.94	7,17,011
Preceding six months								
July, 2024	9,640.00	July 09, 2024	3,676	8,619.80	July 01, 2024	51,863	8,969.33	76,141
June, 2024	9,450.85	June 24, 2024	7,245	6,799.10	June 04, 2024	875	7,952.49	38,994
May, 2024	7,299.00	May 15, 2024	2,682	6,700.00	May 13, 2024	3,981	7,021.31	19,652
April, 2024	7,800.00	April 03, 2024	7,685	6,804.70	April 01, 2024	885	7,218.00	20,826
March, 2024	7,746.70	March 02, 2024	101	6,551.25	March 20, 2024	2,512	7,144.42	19,232
February, 2024	8,384.50	February 07, 2024	215	7,331.05	February 15, 2024	1,937	7,753.56	13,110

[#] High of the daily high prices.

^{##} Low of the daily low prices.

^{*} Arithmetic average of the closing prices of all trading days during the said period.

Source: www.bseindia.com

NSE

Period	High (in INR) [#]	Date of High	Number of Equity Shares traded on that date	Low (in INR) ^{##}	Date of Low	Number of Equity Shares traded on that date	Average Price (in INR) [*]	Total volume of Equity Shares traded in the period (Number of Equity Shares)
Preceding three years								
Financial year 2024	9,740.00	September 01, 2023	23,178	6,030.00	April 26, 2023	23,164	7,889.51	55,08,959
Financial year 2023	6,788.00	February 22, 2023	92,359	3,515.00	May 10, 2022	1,10,835	5,091.63	57,98,729
Financial year 2022	6,450.00	October 19, 2021	40,665	3,681.20	April 07, 2021	13,128	4,604.23	43,75,715
Preceding six months								
July, 2024	9,650.00	July 09, 2024	79,988	8,630.45	July 01, 2024	78,007	8,967.95	6,08,237
June, 2024	9,450.00	June 24, 2024	1,39,900	6,780.05	June 04, 2024	15,718	7,950.99	9,98,609
May, 2024	7,301.00	May 15, 2024	46,316	6,703.00	May 13, 2024	90,136	7,021.62	3,90,464
April, 2024	7,825.00	April 03, 2024	1,57,232	6,800.00	April 01, 2024	7,166	7,222.00	4,18,069
March, 2024	7,715.00	March 07, 2024	23,892	6,591.20	March 19, 2024	21,298	7,140.75	4,45,692
February, 2024	8,318.50	February 06, 2024	9,203	7,330.00	February 15, 2024	39,452	7,759.04	4,02,869

[#] High of the daily high prices.

^{##} Low of the daily low prices.

^{*} Arithmetic average of the closing prices of all trading days during the said period.

Source: www.nseindia.com

18.3 The closing market price of the Equity Shares of the Company:

Event	Date	BSE (in INR)	NSE (in INR)
1 (one) trading day prior to the intimation of convening the Board Meeting to consider the proposal of the Buyback	July 25, 2024	8,778.60	8,780.35
Date of intimation of convening the Board Meeting to consider the proposal of the Buyback	July 26, 2024	8,778.05	8,768.20
1 (one) trading day post the intimation of convening the Board Meeting to consider the proposal of the Buyback	July 29, 2024	9,021.55	9,027.15
1 (one) trading day prior to the Board Meeting	August 02, 2024	8,925.45	8,938.90
The date of Board Meeting approving the Buyback	August 05, 2024	9,436.35	9,436.70
1 (one) trading day post the Board Meeting / date of Public Announcement	August 06, 2024	9,827.10	9,833.60
Date of publication of the Public Announcement	August 07, 2024	9,960.65	9,956.95
1 (one) trading day post the publication of the Public Announcement	August 08, 2024	10,353.65	10,377.15

Source: www.bseindia.com and www.nseindia.com

19. DETAILS OF THE STATUTORY APPROVALS

- 19.1 The Board at its meeting held on Monday, August 05, 2024, approved the proposal for the Buyback.
- 19.2 The Buyback will be subject to such necessary approvals as may be required under the applicable laws from the Appropriate Authorities including from SEBI, RBI, BSE and/ or NSE, and the Buyback from Non-Resident Shareholders, erstwhile overseas corporate bodies and other applicable categories will be subject to such approvals of Appropriate Authorities, lenders if any. As on the date of this Letter of Offer, the Company has outstanding facilities with lenders. The Company has obtained such approvals as may be required from the lenders pursuant to the provisions of such facilities.
- 19.3 The Buyback from each Eligible Shareholder is subject to all statutory consents and approvals as may be required by such Eligible Shareholder under applicable laws and regulations. The Eligible Shareholder shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the RBI, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buyback. An Eligible Shareholder would be required to provide copies of all such consents and approvals obtained by them to the Registrar to the Buyback. The Company will have the right to make payment in respect of the Equity Shareholders for whom no prior approval from the RBI is required and not accept Equity Shares from the Equity Shareholders in respect of whom prior approval from the RBI is required and in the event copies of such approvals are not submitted. Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA Regulations, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI.
- 19.4 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.
- 19.5 By agreeing to participate in the Buyback, each Eligible Shareholder (including each Non-Resident Shareholder) undertakes to complete all relevant regulatory/statutory filings and compliances to be made by it under applicable law, including filing of Form FC-TRS. Further, by agreeing to participate in the Buyback, the non-resident Eligible Shareholders give the Company the authority to take all necessary action, including to make, sign, execute, deliver, acknowledge and perform all actions/applications to file regulatory reporting's, filings and compliances, if required, including form FC-TRS, if necessary and undertake to provide assistance to the Company for such regulatory reporting if required by the Company.
- 19.6 As on date, the Company confirms that there is no other statutory or regulatory approval required by it for the Buyback as on the date of this Letter of Offer, other than as indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback will be subject to such statutory or regulatory approval(s) and the Company shall obtain such statutory approvals as may be required, from time to time, if any. In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback, if any, shall be intimated to the Stock Exchanges.
- 19.7 The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the FEMA and rules and regulations framed thereunder, if any, Income Tax Act and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the FEMA and rules and regulations framed thereunder, if any.
- 19.8 The reporting requirements for non-resident shareholders under RBI, FEMA, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/or the Seller Member through which the

Eligible Shareholder places the bid.

20. DETAILS OF REGISTRAR TO THE BUYBACK AND COLLECTION CENTRE

- 20.1 Eligible Shareholders are required to send Tender Form along with the other requisite document(s), as mentioned in “*Procedure for Tender Offer and Settlement*” on paragraph 22 on page 42 of this Letter of Offer 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 Buyback, so that the same are received on or before the Buyback Closing Date by 5:00 p.m. (IST). The envelope should be super scribed as “CERA SANITARYWARE LIMITED BUYBACK 2024”. The Company has appointed Link Intime India Private Limited as the Registrar to the Buyback and in case of any query, the shareholders may contact the Registrar to the Buyback on any day, except Saturday, Sunday and public holidays between 10:00 a.m. and 5:30 p.m. (IST) at the following address:



Link Intime India Private Limited.

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

Mumbai - 400 083, Maharashtra, India

Tel.: 91 810 811 4949

Contact Person: Ms. Shanti Gopalkrishnan

E-mail: cerasanitaryware.buyback2024@linkintime.co.in

Website: www.linkintime.co.in

SEBI Registration. No.: INR000004058

Validity Period: Permanent

CIN: U67190MH1999PTC118368

- 20.2 For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the confirmation of lien marked in demat account of the Eligible Shareholders to the Clearing Corporation and a valid bid in the exchange bidding system, the bid for buyback shall be deemed to have been accepted for Eligible Shareholders holding the equity shares in demat form.

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

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.

21. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 21.1 The Company has proposed the Buyback of not exceeding of up to 1,08,333 Equity Shares (representing 0.83% of the total number of Equity Shares in the existing total issued and paid-up equity capital of the Company as per the audited financial statements as of March 31, 2024), from all Eligible Shareholders on a proportionate basis, through the ‘tender offer’ process, at a price of INR 12,000/- (Indian Rupees Twelve Thousand Only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding INR 130,00,00,000/- (Indian Rupees One Hundred and Thirty Crores only) excluding the Transaction Costs, which represents 9.68% and 9.66% of the aggregate of the paid-up capital and free reserves as per the audited standalone and consolidated financial statements of the Company as on March 31, 2024, respectively (being the latest audited standalone and consolidated financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback), from all the shareholders/ beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group of the Company (as defined under Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018), as on a record date, through the “tender offer” route, on a proportionate basis as prescribed under the Buyback Regulations.
- 21.2 The Buyback is pursuant to Article 50 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act and the relevant rules made thereunder including the Share Capital and Debentures Rules, to the extent applicable, and the provisions of the Buyback Regulations and SEBI Listing Regulations. The Buyback is subject to receipt of such approvals of the statutory, regulatory or governmental authorities, as may be required under the applicable laws including from the RBI, SEBI, and/ or the Stock Exchanges.
- 21.3 The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.
- 21.4 The aggregate shareholding of the Promoters and members of the Promoter Group as at the date of this Letter of Offer is 70,85,139 Equity Shares which represents 54.48% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and members of the Promoter Group and Directors and KMP’s of the Company have an option to participate in the Buyback. In this regard, 7 (seven) members from the Promoters

and the members of the Promoter Group have expressed their intention of participating in the Buyback, and may tender up to: (i) an aggregate maximum of 68,67,074 Equity Shares or; (ii) such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations.

21.5 Assuming the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders up to their Entitlement including the Promoters, the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may increase to 54.54% post Buyback from the current pre Buyback shareholding of 54.48%, and the aggregate shareholding of the public shareholders in the Company may decrease to 45.46% post Buyback from the current pre Buyback shareholding of 45.52%.

21.6 Record Date, ratio of Buyback and Buyback Entitlement:

21.6.1 As required under the Buyback Regulations, the Company has fixed Friday, August 16, 2024, as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders of the Equity Shares, who are eligible to participate in the Buyback.

21.6.2 The Equity Shares to be bought back, as part of the Buyback is divided into two categories and the Entitlement of a shareholder in each category shall be calculated accordingly:

- (a) Reserved category for Small Shareholders (“**Reserved Category**”); and
- (b) General Category for all Eligible Shareholders other than Small Shareholders (“**General Category**”).

21.6.3 ‘Small Shareholder’ has been defined under Regulation 2(i)(n) of the Buyback Regulations and in relation to the Buyback means an Eligible Shareholder who holds Equity Shares of market value of not more than INR 2,00,000/- (Indian Rupees Two Lakh Only), on the basis of closing price on BSE or NSE, whichever registers the highest trading volume in respect of the Equity Shares on the Record Date. As on the Record Date, the volume of Equity Shares traded on BSE was 1,350 Equity shares and on NSE was 18,135 Equity Shares. Accordingly, NSE being the stock exchange with highest trading volume, the closing price was INR 10,101.50 and hence all Eligible Shareholders holding not more than 19 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback.

21.6.4 Based on the above definition, there are 2,44,013 Small Shareholders with aggregate shareholding of 3,57,757 Equity Shares (as on the Record Date), which constitutes 2.75% of the outstanding number of Equity Shares of the Company and 330.24% of the maximum number of Equity Shares which are proposed to be bought back as part of this Buyback. 1,26,48,117 Equity Shares were held by the other Eligible Shareholders in the General Category as on the Record Date out of which 2,18,065 Equity Shares are held by members of the Promoter Group who have expressed their intention to not participate in the Buyback.

21.6.5 In accordance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders (Reserved Category), will 16,250 Equity shares, which is higher of:

- (a) 15% of the number of Equity Shares which the Company proposes to Buyback (15% of 1,08,333 Equity Shares), which works out to 16,250 Equity Shares; or
- (b) The number of Equity Shares to which the Small Shareholders are entitled as per their shareholding as on the Record Date (i.e., $[(3,57,757 / 1,27,87,809) \times 1,08,333]$), which works out to 3,031 Equity Shares.

All the outstanding Equity Shares, other than 2,18,065 Equity Shares held by the members of the Promoter Group who have expressed their intention not to participate in the Buyback, have been taken into account for computing the Entitlement.

21.6.6 Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 16,250 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 92,083 Equity Shares.

21.6.7 Based on the aforementioned, the entitlement ratio of Buyback for both categories is set forth below:

Category	Entitlement ratio in the Buyback*
Reserved Category for Small Shareholders	1 Equity Shares out of every 22 Equity Shares as on Record Date
General Category for all other Eligible Shareholders	1 Equity Shares out of every 135 Equity Shares as on Record Date

**The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is 4.542189251% and General Category for all other eligible Shareholders is 0.740809451%*

21.6.8 Illustration of Entitlement Ratio

- (a) For Small Shareholders – Eligible Shareholder holding 22 Equity Shares will receive an entitlement of 1 Equity Shares (4.542189251% of 22 Equity shares held on Record Date). The Company will accept 100% Equity Shares who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less. Additional equity shares will be accepted based on proportionate basis as described in Paragraph 21 on page 38 of this Letter of Offer.
- (b) For General Shareholders – Eligible Shareholder holding 135 Equity Shares will receive an entitlement of 1 Equity shares (0.740809451% of 135 Equity shares held on Record Date). The Company will accept 100% Equity Shares who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less. Additional equity shares will be accepted based on proportionate basis as described in Paragraph 21 on page 38 of this Letter of Offer.

21.7 Fractional Entitlements

If the Buyback Entitlement under Buyback, after applying the above-mentioned ratios to the Equity Shares held on the 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 the Buyback Entitlement to tender Equity Shares in the Buyback for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 19 or less Equity Shares as on the Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered additional Equity Shares. The Company shall make its best efforts, subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Shareholders to the extent possible and permissible.

21.8 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category:

In accordance with this Letter of Offer, the Acceptance in the Buyback from the Reserved Category will be implemented in the following order of priority:

- (a) Full Acceptance (100%) from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post-acceptance as described in paragraph 21.8 above, in case there are any Equity Shares left to be bought back from the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered additional Equity Shares as part of the Buyback, they shall be given preference and one Equity Share each from the additional Equity Shares applied by such Small Shareholders would be bought back in the Reserved Category.
- (c) Post-acceptance as described in paragraph 21.8 above, in case there are any validly tendered unaccepted Equity Shares in the Reserved Category (“**Reserved Category Additional Equity Shares**”) and Equity Shares left to be bought back in the Reserved Category, the Reserved Category Additional Equity Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations (i.e., valid Acceptance per Small Shareholder shall be equal to the Reserved Category Additional Equity Shares validly tendered by them divided by the total Reserved Category Additional Equity Shares and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category). For the purpose of this calculation, the Reserved Category Additional Equity Shares taken into account for the Small Shareholders, from whom one Equity Share has been Accepted in accordance with paragraph 21.8 above, shall be reduced by one.
- (d) The procedure of adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 21.8 above, is set forth below:
 - (i) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50 (zero point five zero), then the fraction would be rounded off to the next higher integer.
 - (ii) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50 (zero point five zero), then the fraction shall be ignored.
- (e) **Since all the Small Shareholders are entitled to Zero Equity Shares (on account of ignoring the fractional entitlement), if they choose to participate and tender additional Equity Shares as part of the Buyback, they shall be given preference and one Equity Share each from the additional Equity Shares applied by such Small Shareholders would be bought back in the Reserved Category subject to availability of Equity Shares in the Reserved Category. For the purpose of Basis of Acceptance in the Reserved Category, in the first instance, the Acceptance would be done in the descending order of shareholding of the participating Small Shareholders as**

on the Record Date. In case of any practical issues, resulting out of over subscription at any particular number of Equity Shares held as on the Record Date, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide the Acceptance methodology including that of “draw of lots”.

21.9 Basis of Acceptance of Equity Shares validly tendered in the General Category:

In accordance with this Letter of Offer, the Acceptance in the Buyback from the General Category will be implemented in the following order of priority:

- (a) Full Acceptance (100%) in the General Category from the Eligible Shareholders who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post-acceptance as described in paragraph 21.9 above, in case there are any validly tendered unaccepted Equity Shares in the General Category (“**General Category Additional Shares**”) and Equity Shares left to be bought back in the General Category, the General Category Additional Equity Shares shall be accepted in the proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations (i.e., valid Acceptance per Eligible Shareholder shall be equal to the General Category Additional Equity Shares validly tendered by them divided by the total General Category Additional Equity Shares and multiplied by the total pending number of Equity Shares to be Accepted in General Category).
- (c) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 21.9 above:
 - (i) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Shareholder if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.
- (d) In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final acceptance with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after acceptance of Equity Shares as set out in the process described in paragraph 21 of this Letter of Offer.

21.10 Basis of Acceptance of Equity Shares between Categories:

- (a) In case there are any Equity Shares left to be bought back in one category (“**Partially Filled Category**”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be Accepted proportionately (i.e., valid Acceptances per Eligible Shareholder shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Shareholder in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially Filled Category).
- (b) If the Partially Filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been Accepted in accordance with “Basis of Acceptance of Equity Shares validly tendered in the Reserved Category” will be reduced by one Equity Share and shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 21.10 above out of the Equity Shares left to be bought back in the Partially Filled Category, provided no Acceptance could take place from such shareholder in accordance with paragraph 21.8 of this Letter of Offer.
- (c) Adjustment for fraction results in case of proportionate Acceptance, as described in paragraph 21.10 above:
 - (i) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.
- (d) In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any

person(s) authorized by the Buyback Committee will have the authority to decide such final acceptance with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after acceptance of Equity Shares as set out in the process described in paragraph 21 of this Letter of Offer

21.11 For avoidance of doubt, it is clarified that:

- (a) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- (b) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date;
- (c) the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above; and
- (d) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final acceptance with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after acceptance of Equity Shares as set out in the process described in paragraph 21 of this Letter of Offer.

21.12 Clubbing of Entitlements

In accordance with Regulation 9(ix) of the Buyback Regulations, in order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher Entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder or General) and Entitlement under the 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 and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback 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.

22. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

A. GENERAL

- 22.1 The Buyback is open to all Eligible Shareholders/beneficial owners of the Company holding Equity Shares either in physical or electronic form, as on the Record Date.
- 22.2 The Company proposes to implement the Buyback through the Tender Offer process, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback and additional disclosures as specified in the Buyback Regulations, will be sent to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date, as per the Buyback Regulations and such other circulars or notifications, as may be applicable.
- 22.3 The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier, upon request. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 22.24 of this Letter of Offer.
- 22.4 The Company will not accept any Equity Shares offered in the Buyback which are under any restraint order of a Court/ any other competent authority for transfer/ disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or is otherwise not clear and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or where any other restraint subsists or otherwise.

- 22.5 The Company shall comply with Regulation 24(v) of the Buyback Regulations which restricts the Company from buying back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the time the Equity Shares become transferable.
- 22.6 The Eligible Shareholders' participation in the Buyback will be voluntary. The Eligible Shareholders may choose to participate, in full or in part, and receive cash in lieu of the Equity Shares to be 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. The Eligible Shareholders may also tender a part of their Buyback Entitlement. The Eligible Shareholders also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder, shall be in terms of procedure outlined in this Letter of Offer. In case any Eligible Shareholder or any person claiming to be an Eligible Shareholder cannot participate in the Buyback Offer for any reason, the Company, the Manager and Registrar to the Buyback and their officers shall not be liable in any manner for such non-participation.
- 22.7 The Company will accept Equity Shares validly tendered for the Buyback by the Eligible Shareholders, on the basis of their Buyback Entitlement. Additional Equity Shares, if any, tendered by Eligible Shareholders will be accepted as per the procedure laid out in paragraph 21 on page 38 of this Letter of Offer.
- 22.8 Eligible Shareholders will have to transfer their Demat Shares from the same demat account in which they were holding such Demat Shares (as on the Record Date). 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 Demat Shares were held (as on Record Date), such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback, and such tendered Demat Shares may be Accepted subject to appropriate verification and validation by the Registrar. The Board or the Buyback Committee authorised by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 22.9 The Equity Shares proposed to be bought back in the Buyback is divided into two categories and the entitlement of a shareholder in each category shall be calculated accordingly:
- (a) Reserved Category for Small Shareholders; and
 - (b) the General Category for all other Eligible Shareholders.
- 22.10 After Accepting the Equity Shares tendered on the basis of the 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 the other category.
- 22.11 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. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the maximum tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- 22.12 For implementation of the Buyback, the Company has appointed Ambit Capital Private Limited as the registered broker to the Company (the “**Company’s Broker**”) to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buyback and 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:



Ambit Capital Private Limited

Ambit House, 449, Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India

Tel No.: + 91 22 6623 3000

Contact Person: Sameer Parkar

Email: sameer.parkar@ambit.co

Website: www.ambit.co

SEBI Registration No.: INZ000259334

Permanent CIN: U74140MH1997PTC107598

- 22.13 The Buyback will be implemented using the “*Mechanism for acquisition of shares through Stock Exchange*” issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and circular no. CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and in accordance with the

procedure prescribed in the Companies Act and the Buyback Regulations, and as may be determined by the Board of Directors, or the Buyback Committee, on such terms and conditions as may be permitted by law from time to time.

- 22.14 The Company shall request BSE, being the Designated Stock Exchange, to provide a separate window (the “**Acquisition Window**”) to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the Acquisition Window will be as specified by BSE from time to time. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Seller Member(s)**”).
- 22.15 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company Broker. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers (“Seller Member(s)”) during normal trading hours of the secondary market. The Seller Members can enter orders for Equity Shares held in dematerialized form as well as physical form. In the tendering process, the Company’s Broker may also process the orders received from the Eligible Shareholders after Eligible Shareholders have completed their KYC requirement as required by the Company’s broker.
- 22.16 In the event the Seller Member of any Eligible Shareholder is not registered with the Stock Exchanges as a trading member/ stockbroker/, then that Eligible Shareholder can approach any Stock Exchanges’ registered stock broker and can register himself by using web based unique client code application (“UCC”) facility through that BSE registered stock broker (after submitting all details as may be required by such NSE/BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register himself by using UCC facility through any other registered stock broker, then that Eligible Shareholder may approach the Company’s Broker i.e., Ambit Capital Private Limited, to place their bids, subject to completion of KYC requirements as required by the Company’s Broker.
- 22.17 The Eligible Shareholder approaching the Designated Stock Exchange registered stock broker (with whom he does not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker and may *inter alia* include:

In case of Eligible Seller being an individual

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

- (a) Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
- (b) Know Your Client (KYC) form Documents required (all documents self-attested):
- (c) Bank details (cancelled cheque)
- (d) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Eligible Seller is not registered with KRA: Forms required:

- (a) CKYC form including FATCA, IPV, OSV if applicable
- (b) KRA form
- (c) KYC form Documents required (all documents self-attested):
 - PAN card copy
 - Address proof
 - Bank details (cancelled cheque)
- (d) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

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

In case of Eligible Seller is HUF:

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

- (a) Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
- (b) Know Your Client (KYC) form Documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- (c) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Eligible Seller is not registered with KRA: Forms required:

- (a) CKYC form of KARTA including FATCA, IPV, OSV if applicable
- (b) KRA form
- (c) Know Your Client (KYC) form Documents required (all documents self-attested):
 - PAN card copy of HUF & KARTA
 - Address proof of HUF & KARTA
 - HUF declaration

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

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

In case of Eligible Seller other than Individual and HUF:

If Eligible Seller is KRA registered: Form required

- (a) Know Your Client (KYC) form Documents required (all documents certified true copy)
 - Bank details (cancelled cheque)
- (b) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- (c) FATCA, IPV, OSV if applicable
- (d) Latest list of Directors/authorised signatories/partners/trustees
- (e) Latest shareholding pattern
- (f) Board resolution
- (g) Details of ultimate beneficial owner along with PAN card and address proof
- (h) Last 2 years financial statements

If Eligible Seller is not KRA registered: Forms required:

- (a) KRA form
- (b) Know Your Client (KYC) form Documents required (all documents certified true copy):
 - PAN card copy of company/ firm/trust
 - Address proof of company/ firm/trust
 - Bank details (cancelled cheque)
- (c) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- (d) FATCA, IPV, OSV if applicable
- (e) Latest list of Directors/authorised signatories /partners/trustees
- (f) PAN card copies & address proof of Directors/authorised signatories/partners/trustees
- (g) Latest shareholding pattern
- (h) Board resolution/partnership declaration
- (i) Details of ultimate beneficial owner along with PAN card and address proof
- (j) Last 2 years financial statements
- (k) MOA/Partnership deed /trust deed

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

- 22.18 All Eligible Shareholders, through their Seller Member will be eligible and responsible to place orders in the Acquisition Window.
- 22.19 During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective Seller Member during normal trading hours of the secondary market. The Seller Member can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders after Eligible Shareholders have completed their KYC requirement as required by the Company's broker. The reporting requirements for Non-Resident Shareholders under the FEMA and any other rules, regulations, guidelines, for remittance of funds, shall be completed by the Eligible Shareholder and/or the Seller Member through which the Eligible Shareholder places the bid.
- 22.20 Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- 22.21 Modification/ cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback.
- 22.22 The cumulative quantity tendered shall be made available on the website of BSE at www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 22.23 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.

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

RECORD DATE.

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

22.24.1 In case the Eligible Shareholders holds Equity Shares in dematerialised form :

If any Eligible Shareholder who is holding Equity Shares in dematerialized form and has been sent the Letter of Offer through electronic means, wishes to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email ID mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name/ ID, beneficiary account number. Upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company at www.cera-india.com or the Registrar to the Buyback at www.linkintime.co.in by providing their application in writing on plain paper, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback. For further process, please refer to paragraph 22.25 titled “*Procedure to be followed by Eligible Shareholders holding Demat Shares*” on page 46 of this Letter of Offer.

22.24.2 In case the Eligible Shareholders holds Equity Shares in physical form:

An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company at www.cera-india.com or the Registrar to the Buyback at www.linkintime.co.in 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.cera-india.com or the website of Registrar to the Buyback at www.linkintime.co.in. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 22.26 below), reach the Registrar to the Buyback on or before the Buyback Closing Date (by 5:00 p.m. (IST)). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar to the Buyback/Company or are not in the same order (although attested), the Company/Registrar to the Buyback shall have a right to reject such applications. For further process, please refer to paragraph 22.26 titled “*Procedure to be followed by Eligible Shareholders holding Physical Shares*” on page 47 of this Letter of Offer.

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

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

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

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

22.25 Procedure to be followed by Eligible Shareholders holding Demat Shares:

22.25.1 Eligible Shareholders who desire to tender their Equity Shares held by them in dematerialised form under the Buyback would have to do so through their respective Seller Member by indicating to the concerned Seller Member, the details of Equity Shares they intend to tender under the Buyback.

22.25.2 The Seller Member(s) would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of BSE. For further details, Eligible Shareholders may refer to the circulars issued by BSE and Indian Clearing Corporation Limited (“**Clearing Corporation**”).

22.25.3 The details of the settlement number under which the lien will be marked on the Equity Shares tendered for the Buyback will be provided in a separate circular to be issued by BSE or the Clearing Corporation.

- 22.25.4 The lien shall be marked in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buyback. 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.
- 22.25.5 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 Buyback 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 the Eligible Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Eligible 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 Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- 22.25.6 For custodian participant orders for dematerialized Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian participant shall either confirm or reject the orders no later than the closing of trading hours (i.e. 3:30 p.m. (IST)) on the last day of the Tendering Period (i.e. 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.
- 22.25.7 Upon placing the bid, the Seller Member shall provide a Transaction Registration Slip (“TRS”) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of order submitted such as bid ID number, application number, Depository Participant ID, client ID, number of Equity Shares tendered, etc.
- 22.25.8 In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted. It is clarified that in case of dematerialized Equity Shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporations and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.
- 22.25.9 Eligible Shareholders who have tendered their Demat Shares in the Buyback may deliver the Tender Form duly signed (by all Eligible Shareholders in case Demat 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 Buyback at the address mentioned on the cover page of this Letter of Offer, so that the same are received on or before the Buyback Closing Date (by 5:00 p.m.). The envelope should be super scribed as “CERA SANITARYWARE LIMITED BUYBACK 2024”. In the event of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the stock exchange bidding system, the Buyback shall be deemed to have been Accepted for such shareholders holding Demat Shares.
- 22.25.10 The Eligible Shareholders will have to ensure that they keep the depository participant account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback decided by Company. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of shares by the Company. In the event if any equity shares are tendered to clearing corporation, excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible shareholders would be returned to them by clearing corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the shareholder broker’s (seller member’s) depository pool account for onward transfer to the Eligible shareholder. In case of custodian participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be returned to the respective custodian depository pool account.
- 22.25.11 Eligible shareholders who have tendered their demat shares in the buyback shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not be limited to): (i) duly attested power of attorney, if any person other than the eligible shareholder has signed the tender form; (ii) duly attested death certificate and succession certificate/legal heirship certificate, in case any eligible shareholder is deceased, or court approved scheme of merger/amalgamation for a company; and (iii) in case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

22.26 Procedure to be followed by Eligible Shareholders holding Physical Shares:

In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, Eligible Shareholders holding Equity Shares in physical form can participate in the Buyback. However, such tendering shall be as per the

provisions of the Buyback Regulations. The procedure is as below:

- 22.26.1 Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents include (i) 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 shares) (ii) original Equity Share certificate(s), (iii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of the Eligible Shareholder's PAN card, (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- 22.26.2 Based on the aforesaid documents, the concerned Seller Member shall place the bid on behalf of the Eligible Shareholder who is holding Equity Shares in physical form and intend to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted such as folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.
- 22.26.3 The Seller Member/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original Equity Share certificate(s) and documents (as mentioned above) along with the TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the registrar to the Buyback i.e. Link Intime India Private Limited at the address mentioned at paragraph 29 on page 59 or the collection centre of the Registrar, details of which will be included in the Letter of Offer, within 2 days of bidding by Seller Member and the same should reach not later than the buyback closing date. The envelope should be super-scribed as "CERA SANITARYWARE LIMITED BUYBACK 2024". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Shareholder.
- 22.26.4 The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids' and displayed on the website of BSE.
- 22.26.5 In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the Tendering Period of the Buyback.
- 22.26.6 SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue the securities in dematerialized form only while processing the service request of issue, inter alia, relating to the sub-division or splitting of share certificate. In view of the same, the Company shall issue a letter of confirmation ("LOC") in lieu of any excess physical Equity Shares pursuant to proportionate acceptance/rejection and the LOC shall be dispatched to the address registered with the Registrar. The Registrar shall retain the original share certificate and deface the certificate with a stamp "Letter of Confirmation Issued" on the face / reverse of the certificate to the extent of the excess physical shares. The LOC shall be valid for a period of 120 (One Hundred and Twenty) days from the date of its issuance, within which the Equity Shareholder shall be required to make a request to his/her depository participant for dematerializing the physical Equity Shares returned. In case the Equity Shareholder fails to submit the demat request within the aforesaid period, the Registrar shall credit the Equity Shares to a separate demat account of the Company opened for the said purpose.
- 22.26.7 All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) or an invalid certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar of the Company; and (v) 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.

22.26.8 The unregistered shareholders holding physical shares may also tender their Equity Shares in the Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in their name, along with the offer form, copy of his PAN card and of the person from whom they have purchased shares and other relevant documents as required for transfer, if any. In the tendering process, the shareholder's broker may also process the orders received from the Eligible shareholders.

22.27 Additional requirements in respect of tenders by the Non-Resident Shareholders:

22.27.1 While tendering their Equity Shares under the Buyback, all Eligible Shareholders being Non-Resident Shareholders (excluding FIIs) shall enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them. 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.

22.27.2 Eligible Shareholders who are FIIs/FPIs should also enclose a copy of their SEBI registration certificate.

22.27.3 In case the Equity Shares are held on a repatriation basis, the Non-Resident Eligible Shareholders shall obtain and enclose a letter from the Eligible Shareholder's authorised dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident Shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the Non-Resident shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted in the Buyback.

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

22.27.5 The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt / provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.

22.27.6 The reporting requirements for Non-Resident Shareholders under RBI, FEMA, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders.

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

B. ACCEPTANCE OF ORDERS

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

C. 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) The Company will pay the consideration to the Company's Broker who will transfer the consideration pertaining to the Buyback to the Clearing Corporation's Bank account as per the prescribed schedule. The settlements of fund obligation for Demat Shares shall be affected as per the SEBI Circulars and as prescribed by BSE and the Clearing Corporation from time to time. For demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If any Eligible Shareholder's bank account details are not available or if the

fund transfer instruction is rejected by the RBI or relevant bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Members' settlement bank account or onward transfer to such Eligible Shareholder. In case of non receipt of funds in their bank account the Eligible Shareholders should get in touch with their broker as the bounced amount reverts back to the broker concerned. The Company/RTA are not involved in the settlement process.

- (iii) The Demat Shares bought back would be transferred directly to the Company Demat Account opened for the Buyback provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- (iv) 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.
- (v) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective stock broker's settlement accounts for releasing the same to such 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 BSE and the Clearing Corporation from time to time.
- (vi) Details in respect of shareholder's entitlement for tender process will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- (vii) In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- (viii) The Equity Shares bought back in dematerialized form would be transferred directly to the escrow account of the Company ("**Company Demat Escrow Account**") provided it is indicated by the Company Broker or it will be transferred by the Company Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.
- (ix) Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of shares by the Company.
- (x) The Seller Member(s) would issue a contract note to their respective Eligible Shareholders for the Equity Shares accepted under the Buyback. The Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (xi) Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Eligible Shareholders, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Manager to the Buyback and the Company accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.
- (xii) The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- (xiii) The Equity Shares accepted, bought and 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 Buyback Regulations.

(xiv) **SPECIAL ACCOUNT OPENED WITH THE CLEARING CORPORATION**

The details of transfer of the Demat Shares to the special account of the Clearing Corporation under which the Equity Shares are to be transferred in the account of the Clearing Corporation by trading members or custodians shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.

D. REJECTION CRITERIA

- (i) The Equity Shares tendered by Eligible Shareholders holding Demat Shares would be liable to be rejected on the following grounds:
- (a) the Equity Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or
 - (b) 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
 - (c) 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; or
 - (d) if there is a name mismatch in the demat account of the Eligible Shareholder and PAN.
- (ii) The Equity Shares tendered by Eligible Shareholders holding Physical Shares would be liable to be rejected on the following grounds, 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 5 p.m. (IST) on Buyback Closing Date, Wednesday, August 28, 2024 ; or
 - (b) If the share certificate of the Company is not enclosed with the Tender Form; or
 - (c) If there is any other company's share certificate/ invalid certificate enclosed with the Tender Form instead of the share certificate of the Company; or
 - (d) If the transfer/ transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or
 - (e) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
 - (f) 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 to the Buyback; 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; or
 - (h) If the PAN cards (self-attested) of the shareholder and all the joint holders, are not submitted with the form.

23. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON OUR UNDERSTANDING OF THE CURRENT PROVISIONS OF THE INCOME 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 OR SIGNING FIRM 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

- (i) The Indian tax year runs from April 1 to March 31. 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 (“IT Act”).
- (ii) 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 would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled in India.
- (iii) In case of shares of a company, the source of income from shares would depend on the “situs” of the shares. As per the IT Act 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 IT Act 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.
- (iv) The above benefit may be available subject to satisfying relevant conditions prescribed under the IT Act 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 the IT Act 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 IT Act determines the residential status of an assessee. Accordingly, shareholders can be classified broadly in two categories as below:

- (i) Resident Shareholders being:
 - (a) Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”), Body of Individuals (“BOI”), Firm and Limited Liability Partnership (“LLP”);
 - (b) Others (corporate bodies): Company, Other than Company
- (ii) Deemed Resident Shareholder
A non-resident 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.
- (iii) Non-Resident Shareholders being:
 - (a) Non-Resident Indians (NRIs);
 - (b) Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- (iv) Others:
 - (a) Foreign Company
 - (b) Foreign non-corporate shareholders Other than Company

II. INCOME TAX PROVISIONS IN RESPECT OF BUYBACK OF EQUITY SHARES LISTED ON RECOGNISED STOCK EXCHANGE

- (i) Section 115QA of the IT Act introduced by the Finance Act, 2013 w.e.f. June 1, 2013, contains provisions for taxation of a domestic company in respect of buyback of shares (within the meaning of Section 68 of the Companies Act, 2013). The Section provides for the levy of additional income-tax at the rate of twenty per cent (as increased by surcharge and health and education cess, as applicable) of the distributed income as defined under the said section on account of buyback of shares of all domestic Indian companies including listed companies, i.e. companies whose

shares are listed on a recognized stock exchange.

- (ii) Distributed Income is defined under section 115QA of the IT Act to mean the 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 under rule 40BB of the Income Tax Rules, 1962 (“the Rules”).
- (iii) It would be noted that Section 115QA of the IT Act start with “notwithstanding anything contained in any other provisions of this Act”. Thus, this section overrules all other provisions of the IT Act and has overriding effect on all other provisions of the IT Act.

1. **Taxability in the hands of the Company**

- (i) The tax on the Distributed Income by the company shall be treated as the final payment of tax in respect of the said income and no further credit thereof shall be claimed by the company or by any other person in respect of the amount of tax so paid.
- (ii) 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.

2. **Taxability in the hands of the Shareholder**

- (i) As additional income-tax has been levied on the company under Section 115QA of the IT Act, the consequential income arising in the hands of shareholders has been exempted from tax under section 10(34A) of the IT Act. Accordingly, any income arising in the hands of shareholder (whether resident or non-resident) on account of buyback of shares shall be exempt from any subsequent tax in India irrespective of the characterization of the shares, i.e. whether long term or short term or held as investment or stock-in-trade.
- (ii) 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 buyback of shares as referred to in section 115QA of the IT Act is exempt from tax under the provisions of the amended section 10(34A) of the IT Act with effect from July 5, 2019.

- (b) Non-Resident Shareholders

While the income arising to the shareholder on account of buyback of shares as referred to in section 115QA of the IT Act 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 buyback tax paid by the company in view of Section 115QA (4) and (5) of the IT Act. The Non-resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

III. **TAX DEDUCTION AT SOURCE**

The Company is not required to deduct tax at source on the consideration payable to shareholder (whether resident or non-resident) pursuant to the Buyback.

IV. **SECURITIES TRANSACTION TAX**

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

V. **NON-APPLICABILITY OF RECENT AMENDMENTS IN THE FINANCE (NO.2) BILL, 2024**

It may be noted that the Finance (no. 2) Bill, 2024 which is placed in parliament on July 23, 2024, has proposed the following amendments with respect to buy back of shares and the extract of the amendments is given below:

- (i) Clause (22) of the Section 2 provides the definition of dividend which, inter alia, does not include any payment made by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 77A of the Companies Act, 1956. It is proposed to amend the said clause so as to insert sub-clause (f) therein and omit item (iv) to provide that dividend, inter alia, include any payment by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 68 of the Companies Act, 2013.

- (ii) In section 46A of the Income-tax Act, the following proviso shall be inserted before the Explanation, with effect from the 1st day of October, 2024, namely:— “Provided that where the shareholder receives any consideration of the nature referred to in sub-clause (f) of clause (22) of section 2 from any company, in respect of any buy-back of shares, that takes place on or after the 1st day of October, 2024, then for the purposes of this section, the value of consideration received by the shareholder shall be deemed to be nil.”
- (iii) Clause (34) of the Section 10 of the Income Tax Act, provides exemption to any income arising to an assessee, being a shareholder, on account of buy back of shares by the company as referred to in section 115QA. It is also proposed to insert a new proviso to clause (34) of the said section so as to provide that this clause shall not apply with respect to any buy back of shares by a company on or after the 1st day of October, 2024.

These amendments will take effect from October 1, 2024, and do not have any income tax implication on the proposed Buyback transaction being undertaken by the Company.

CAVEAT:

THE SUMMARY OF THE TAX CONSIDERATIONS AS ABOVE IS BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS.

IN VIEW OF THE SPECIFIC NATURE OF TAX CONSEQUENCES, SHAREHOLDERS WHO ARE NOT TAX RESIDENTS OF INDIA ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE CONSIDERING THE PROVISIONS OF THE RELEVANT COUNTRY OR STATE TAX LAW AND PROVISIONS OF DTAA WHERE APPLICABLE.

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. THERE CAN BE NO LIABILITY ON THE COMPANY OR SIGNING FIRM 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.

24. DECLARATION BY THE BOARD OF DIRECTORS

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

- 24.1 The Board confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banks.
- 24.2 The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed an opinion that:
- (a) immediately following the Board Meeting, being Monday, August 05, 2024 (“**Board Resolution**”) approving the proposed Buyback offer will be announced, there will be no grounds on which the Company can be found unable to pay its debts;
 - (b) as regards the Company’s prospects for the year immediately following date of the Board Resolution, having regard to Board’s intentions with respect to the management of the Company’s business during that year and to the amount and character of the financial resources which will, in the Board’s view be, available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 (one) year from the date of the Board Resolution; and
 - (c) in forming the aforesaid opinion, the Board has taken into account the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016 (to the extent notified).

This declaration is made and issued under the authority of the Board of Directors in terms of the resolution passed at the meeting of held on August 05, 2024.

For and on behalf of the Board of Directors of Cera Sanitaryware Limited

Sd/-

Vikram Somany
Chairman and Managing Director
DIN: 00048827

Sd/-

Anupam Gupta
Executive Director (Technical)
DIN: 09290890

Sd/-

Hemal Sadiwala
Company Secretary and Compliance
Officer
Membership No. A20741

25. REPORT BY THE COMPANY'S STATUTORY AUDITOR ON PERMISSIBLE CAPITAL PAYMENT

The text of the report dated August 05, 2024, received from Statutory Auditors of the Company ("**Auditor's Report**") addressed to the Board of the Company is reproduced below:

Quote

To,
Board of Directors,
CERA Sanitaryware Limited,
9, GIDC Industrial Estate,
Kadi, Mehsana, North Gujarat,
Gujarat, India- 382 715

Dear Sir/ Madam,

Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by CERA Sanitaryware Limited ("Company") pursuant to the requirements of the Companies Act, 2013 ("Act") and Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("Buyback Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated July 30, 2024.
2. The Board of Directors of the Company ("**Board**") has approved a proposal for buyback of Equity Shares by the Company at its Meeting held on August 5, 2024, in pursuance of the provisions of Sections 68, 69 and 70 of the Act and the Buyback Regulations.
3. We have been requested by the management of the Company ("**Management**") to provide a report on the accompanying "Statement of Permissible Capital Payment as of March 31, 2024" ('**Annexure A**') (hereinafter referred to as the "**Statement**"). This Statement has been prepared by the Management, which we have initialled for the purposes of identification only.

Management's Responsibility

4. The preparation of the Statement in compliance with Section 68(2) of the Act and proviso to Regulation 5(1)(b) of the Buyback Regulations and compliance with the requirements of the Act and the Buyback Regulations is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls 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.

As the Buyback Regulations and the Act do not define the term "insolvent", the Company has applied the guidance provided in paragraphs 25 and 26 of Ind AS 1, *Presentation of Financial Statements*, which relate to the assessment of the Company's ability to continue as a going concern for a period of one year from August 5, 2024.

Auditor's Responsibility

5. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:
 - a. we have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at March 31, 2024;
 - (iii) the amount of permissible capital payment as stated in **Annexure A**, has been properly determined considering the annual audited standalone and consolidated financial statements as at March 31, 2024 in accordance with Section

68(2) of the Act and proviso to Regulation 5(1)(b) of the Buyback Regulations; and

- (iv) the Board of Directors of the Company, in their Meeting held on August 5, 2024 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date with regard to the proposed buyback are declared.
6. The annual standalone and consolidated financial statements referred to in paragraph 5 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated May 13, 2024. We conducted our audit of the annual standalone and consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether 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 (Revised 2016), issued by the ICAI ("Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 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, issued by the ICAI. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buyback.
 9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. We have performed the following procedures in relation to the Statement:
 - i) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements for the year ended March 31, 2024. We have obtained and read the audited standalone and consolidated financial statements for the year ended March 31, 2024 including the unmodified audit opinions dated May 13, 2024.
 - ii) Read the Articles of Association of the Company and noted the permissibility of buyback.
 - iii) Traced the amounts considered for computation of Capital payment as mentioned in the Statement from the audited standalone and consolidated financial statements for the year ended March 31, 2024.
 - iv) Obtained the minutes of the meeting of the Board of Directors in which the proposed buy-back was approved and compared the buy-back amount with the permissible limit computed in accordance with section 68(2) of the Act and proviso to Regulation 5(1)(b) of the SEBI Buyback Regulations detailed in the Statement.
 - v) Obtained the minutes of that meeting of the Board of Directors in which the proposed buy-back was approved and read that the Board had formed the opinion as specified in SEBI Buyback Regulations on reasonable grounds and the Company, having regard to the state of affairs will not, be rendered insolvent within a period of one year from that date.
 - vi) Obtained necessary representations from the management of the Company.

Opinion

10. Based on enquiries conducted and our examination as above, we report that:
 - i) We have enquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2024, which have been approved by the Board of Directors of the Company on May 13, 2024.
 - ii) The amount of permissible capital payment towards the proposed buyback of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68(2) of the Act and proviso to Regulation 5(i)(b) of Buyback Regulations.
 - iii) The Board of Directors of the Company, at their meeting held on August 5, 2024 has formed its opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company

having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date i.e. August 5, 2024.

Restriction on use

11. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, and any other regulatory authority as per applicable law; (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and (c) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. 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 certificate is shown or into whose hands it may come without our prior consent in writing.

For Singhi & Co.,
Chartered Accountants
Firm Registration No. 302049E

Sudesh Choraria
Partner
Membership No. 204936
UDIN: 24204936BKGECs8469

Place: Mumbai
Date: August 05, 2024

ANNEXURE A STATEMENT OF PERMISSIBLE CAPITAL PAYMENT

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2) of the Companies Act, 2013 (“the Act”) and proviso to Regulation 5(1)(b) of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, based on annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2024.

INR in Lakhs

Particulars		Standalone	Consolidated
Paid up Equity Share Capital as on March 31, 2024 (1,30,05,874 fully paid up Equity Shares of Rs 5 each).	(A)	650.29	650.29
Free Reserves as on March 31, 2024			
General Reserve		62,286.64	62,286.64
Retained Earnings		63,221.23	63,545.81
Securities premium reserve		8,095.94	8,095.94
Total Free Reserves	(B)	1,33,603.81	1,33,928.39
Total paid-up capital and free reserves	C= (A+B)	1,34,254.10	1,34,578.68
Maximum amount permissible towards buyback of equity shares in accordance with Section 68(2) of the Companies Act, 2013 and proviso to Regulation 5(1)(b) of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (10% of paid-up equity capital and free reserves).	(C*10%)	13,425.41	13,457.87

Note: The amount of paid-up equity share capital and free reserves as at March 31, 2024 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2024.

For and on behalf of **Board of Directors of CERA Sanitaryware Limited**

Vikas Kothari
Chief Financial Officer

Date: 5th August 2024

Unquote

26. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at 9, GIDC Industrial Estate, Kadi-382715, Dist. Mehsana, North Gujarat, India between 10:30 a.m. and 5.00 p.m. (IST) on any day, except Saturday, Sunday and public holidays or on the website of the Company (i.e., www.cera-india.com) in accordance with the Buyback Regulations and such other circulars or notification, as may be applicable, during the Tendering Period:

- (a) Copy of the certificate of incorporation;
- (b) Copy of Memorandum and Articles of Association of the Company;
- (c) Copy of the audited standalone and consolidated financial statements and annual reports of the Company for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and copy of the unaudited (limited review) standalone and financial statements for the 3 months period ended June, 2024;
- (d) Copy of the resolution passed by the Board of Directors at the meeting held on Monday, August 05, 2024, approving the proposal for Buyback;
- (e) Copy of Report dated August 05, 2024, received from the Statutory Auditor of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;
- (f) 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;
- (g) Copy of the Escrow Agreement dated August 08, 2024;
- (h) Letter from Escrow Bank dated August 08, 2024, that the Escrow Account in the name of “Cera Sanitaryware Limited Buyback 2024– Escrow Account” has been opened;
- (i) Certificate dated August 06, 2024, received from Sapan Vasa & Co Chartered Accountants, an independent chartered accountant, certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations.
- (j) Copy of the opinion on the note on taxation, dated August 20, 2024, obtained by the Company from Sapan Vasa & Co Chartered Accountants, an independent chartered accountant.
- (k) Copy of Public Announcement for Buyback dated August 06, 2024, published on August 07, 2024.

27. DETAILS OF COMPANY SECRETARY AND COMPLIANCE OFFICER

The Company has appointed Hemal Sadiwala as the Compliance Officer for the purpose of the Buyback. Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, on all working days except Saturday, Sunday and public holidays during office hours i.e., 10:00 a.m. (IST) to 5:00 p.m. (IST):

Hemal Sadiwala, Company Secretary and Compliance Officer
Cera Sanitaryware Limited
Regd. Office: 9, GIDC Industrial Estate, Kadi-382715,
Dist. Mehsana, North Gujarat, India
CIN: L26910GJ1998PLC034400
Tel. No.: 2764-243000, 242329, 079-49112222
Email: hemal.sadiwala@cera-india.com
Website: www.cera-india.com

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

- 28.1 In case of any grievances relating to the Buyback (including non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach the Company Secretary and Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.

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

Registrar of Companies,
Ministry of Corporate Affairs
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013
Phone: 079--27438531
roc.ahmedabad@mca.gov.in

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

In case of any query, the shareholders may also contact Link Intime India Private Limited, the Registrar to the Buyback / Investor Service Centre for the purposes of the Buyback, on any day except Saturday and Sunday and public holiday between 10:00 a.m. to 5:30 p.m. (IST) at the following address:



Link Intime India Private Limited
Office No. C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West),
Mumbai- 400 083, Maharashtra, India
Tel.: 91 810 811 4949
Contact Person: Ms. Shanti Gopalkrishnan
E-mail: cerasanitaryware.buyback2024@linkintime.co.in
Website: www.linkintime.co.in
SEBI Registration No.: INR000004058
Validity Period: Permanent
CIN: U67190MH1999PTC118368

30. DETAILS OF THE MANAGER TO THE BUYBACK



Ambit Private Limited
Ambit House, 449, Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India
Tel No.: + 91 22 6623 3030
Contact Person: Devanshi Shah / Janit Sethi
Email: cera.buyback@ambit.co
Website: www.ambit.co
SEBI Registration No.: INM000010585
Validity Period: Permanent
CIN: U65923MH1997PTC109992

31. 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 accepts full responsibility for the information contained in this Letter of Offer to the extent it pertains to the information related to the Company, and for the information contained in all other advertisements, circulars, brochures, publicity materials etc., which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on Monday, August 05, 2024, and by the Buyback Committee through resolution passed on August 20, 2024.

For and on behalf of the Board of Directors of Cera Sanitaryware Limited

Sd/-

Vikram Somany

Sd/-

Anupam Gupta

Sd/-

Hemal Sadiwala

Chairman and Managing Director
DIN: 00048827

Executive Director (Technical)
DIN: 09290890

Company Secretary and Compliance
Officer
Membership No. A20741

Date: August 20, 2024
Place: Mehsana, Gujarat

32. TENDER FORM

- 32.1 Tender Form (for Eligible Shareholders holding Equity Shares in dematerialized form)
- 32.2 Tender Form (for Eligible Shareholders holding Equity Shares in physical form)
- 32.3 Form No. SH-4 – Securities Transfer Form.

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

Bid Number:
Date:

BUYBACK OPENS ON	Thursday, August 22, 2024	
BUYBACK CLOSES ON	Wednesday, August 28, 2024	
For Registrar / Collection Centre use		
Inward No.	Date	Stamp
<i>Status (please tick appropriate box)</i>		
<input type="checkbox"/> Individual/HUF	<input type="checkbox"/> FIL/FPI	<input type="checkbox"/> FVCI
<input type="checkbox"/> Foreign Company	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> Pension/ PF/
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/ FI	<input type="checkbox"/> Others (specify)
<input type="checkbox"/> Venture Capital Fund	<input type="checkbox"/> Partnership/LLP	
<input type="checkbox"/> Mutual Fund	<input type="checkbox"/> Insurance Co.	
India Tax Residency Status: Please tick appropriate box		
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident in India	<input type="checkbox"/> Resident of
		(Shareholder to fill the country of residence)
Route of Investment (For NR Shareholders only): Please tick appropriate box		
<input type="checkbox"/> Portfolio Investment Scheme	<input type="checkbox"/>	<input type="checkbox"/> Foreign Investment Scheme

To,
The Board of Directors
Cera Sanitaryware Limited
C/o **Link Intime India Private Limited**
C-101, 1st Floor, 247 Park, LBS Marg,
Vikhroli (West), Mumbai,
Maharashtra, India

Dear Sir/Madam,

Sub: Letter of Offer dated August 20, 2024 in relation to the buyback of not exceeding 1,08,333 fully paid-up equity shares of face value of INR 5/- each (the "Equity Shares") of Cera Sanitaryware Limited (the "Company") at a price of INR 12,000/- per Equity Share (Buyback Offer Price) through the tender offer process, pursuant to the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended ("Buyback Regulations") and the Companies Act, 2013, as amended ("Buyback") payable in cash.

- I / We having read and understood the Letter of Offer dated August 20, 2024 issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender/offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) / covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of documents and that the consideration will be paid as per the secondary market mechanism.
- I/We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Equity Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I/ We acknowledge that the responsibility to discharge tax, if any, due on any gains arising on the Buyback is on me/us. I/We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I/ We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me/us on Buyback of Equity Shares. I/We also undertake to provide the Company, the relevant details in respect of the taxability/non-taxability of the proceeds arising on Buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc., whenever called for.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act 2013 and the rules made there under and Buyback Regulations, as amended, foreign exchange regulations, to the extent applicable any other applicable laws.
- Details of Equity Shares held and tendered / offered for Buyback :

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (August 16, 2024)		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including additional shares, if any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with paragraph 22 on page 42 (Procedure for Tender Offer and Settlement) of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

- Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Cera Sanitaryware Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.
- I / We agree that the Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the Equity Shareholder.

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

ACKNOWLEDGMENT SLIP: CERA SANITARYWARE LIMITED BUYBACK 2024

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

Folio No./DP ID: _____

Client ID: _____

Received from Mr./Ms./M/s: _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares

Stamp of Broker/ Registrar

offered for Buyback (In Figures)____(In Words)___

Please quote Client ID No. & DP ID No. for all future correspondence

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

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

15. Equity Shareholders Details:

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

* Non-individual shareholders must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application form submitted.

16. Applicable for all Non-resident shareholders only.

- I / We undertake to pay income taxes in India (whether by deduction of tax at source or otherwise) on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within the applicable time period for such payment. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us. I / We undertake to return to the Company any consideration in respect of the Buyback that may be wrongfully received by me/us.
- I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any, and to the extent required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, as amended ("FEMA") and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India

INSTRUCTIONS

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

1. This Buyback will open on Thursday, August 22, 2024, and close on Wednesday, August 28, 2024.
2. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Buyback would have to do so through their respective Seller Member by indicating the details of the Equity Shares they intend to tender under the Buyback. For Further details, please see the procedure as specified in the section entitled "Procedure for Tender Offer and Settlement" on paragraph 22 on page 42 of the Letter of Offer.
3. Eligible Shareholders may submit their duly filled Tender Form to the office of Registrar to the Buyback (as mentioned in paragraph 29 on page 59 (Details of the Investor Service Centre and Registrar to the Buyback) of the Letter of Offer) only post placing the bid via the Seller Member.
4. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents: (i) Approval from the appropriate authority for such merger; (ii) the scheme of merger; and (iii) the requisite form filed with MCA intimating the merger.
5. **The Buyback shall be rejected for Eligible Shareholders holding Equity Shares in dematerialized form in case of receipt of the completed Tender Form and other documents but non- receipt of Equity Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.**
6. The shares in the Buyback would be liable to be rejected if (i) the tenderer is not an Eligible Shareholder of the Company as on the Record Date; (ii) if there is a name and PAN mismatch in the demat account of the Eligible Shareholder; and (iii) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in dematerialized form
7. The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as may be decided by the Company / Registrar to the Buyback, in accordance with the Buyback Regulations.
8. Eligible Shareholders to whom the Buyback offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
9. For the procedure to be followed by Eligible Shareholders for tendering Equity Shares in the Buyback, please refer to paragraph 22 on page 42 (Procedure for Tender Offer and Settlement) of the Letter of Offer.
10. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
11. By agreeing to participate in the Buyback, each Eligible Shareholder (including the Non-Resident Shareholder) undertakes to complete all relevant regulatory / statutory filings and compliances to be made by it under applicable law, including filing of Form FC-TRS. Further, by agreeing to participate in the Buyback, each Eligible Shareholder hereby (a) authorises the Company to take all necessary action, solely to the extent required, and if necessary, to be undertaken by the Company, for making any regulatory / statutory filings and compliances on behalf of such Shareholder; and (b) undertakes to provide the requisite assistance to the Company for making any such regulatory / statutory filings and compliances.
12. In the event of non-receipt of the Letter of Offer by an Eligible Shareholder, the Eligible Shareholder holding Equity Shares may participate in the Buyback by providing their application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Eligible Shareholders(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and the number of Equity Shares tendered for the Buyback.
13. Eligible Sellers have to fill up the EVENT number issued by the depository in the column for settlement details along with the market type as "Buyback", ISIN, Quantity of shares and CM BP ID of broker and execution date in the Delivery Instruction Slips (DIS) so that Equity Shares can be tendered in the Buyback.
14. Non-Resident Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
15. **For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.**

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

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

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

Investor Service Centre: **Link Intime India Private Limited**
C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West),
Mumbai – 400083, Maharashtra, India
Tel: +91 810 811 4949
Email: cerasanitaryware.buyback2024@linkintime.co.in ; website: www.linkintime.co.in ;
Contact Person: Ms. Shanti Gopalkrishnan;
SEBI Registration No.: INR000004058; CIN: U67190MH1999PTC118368

TENDER FORM

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

Eligible Shareholders holding Equity Shares in physical form are requested to refer to paragraph 22.26 of the Letter of Offer titled 'Procedure to be followed by Eligible Shareholders holding Physical Shares', for details regarding permissibility of acceptance of Equity Shares held in physical form and for details regarding the procedure for tendering, before submitting the Tender Form and Securities Transfer Form with respect to Equity Shares held in physical form.

Bid Number:
Date:

BUYBACK OPENS ON		Thursday, August 22, 2024	
BUYBACK CLOSES ON		Wednesday, August 28, 2024	
For Registrar / Collection Centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/> Individual/HUF	<input type="checkbox"/> FII/FPI	<input type="checkbox"/> FVCI	
<input type="checkbox"/> Foreign Company	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> Pension/ PF/	
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/ FI	<input type="checkbox"/> Others (specify)	
<input type="checkbox"/> Venture Capital Fund	<input type="checkbox"/> Partnership/LLP		
<input type="checkbox"/> Mutual Fund	<input type="checkbox"/> Insurance Co.		
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident in India	Resident of	
		(Shareholder to fill the country of residence)	
Route of Investment (For NR Shareholders only) : Please tick appropriate box			
<input type="checkbox"/> Portfolio Investment Scheme		<input type="checkbox"/> Foreign Investment Scheme	

To,
The Board of Directors
Cera Sanitaryware Limited
C/o. Link Intime India Private Limited
C-101, 1st Floor, 247 Park, LBS Marg,
Vikhroli (West), Mumbai,
Maharashtra, India

Dear Sir/Madam,

Sub: Letter of Offer dated August 20, 2024 in relation to the buyback of not exceeding 1,08,333 fully paid-up equity shares of face value of INR 5/- each (the "Equity Shares") of Cera Sanitaryware Limited (the "Company") at a price of INR 12,000/- per Equity Share ("Buyback Offer Price") through the tender offer process, pursuant to the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ("Buyback Regulations"), as amended and the Companies Act, 2013, as amended ("Buyback") payable in cash.

- I / We having read and understood the Letter of Offer dated August 20, 2024, issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I/We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Equity Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI.
- I/ We acknowledge that the responsibility to discharge tax, if any, due on any gains arising on Buyback is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- I/ We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on Buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on Buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc whenever called for.
- I/ We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I / We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of documents and that the consideration may be paid to the first named Eligible Shareholder as per the secondary market mechanism.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act 2013 and the rules made there under and Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended, foreign exchange regulations, to the extent applicable, , and any other applicable laws.
- I / We authorize the Company to issue a Letter of Confirmation ("LOC") for unaccepted Equity shares in case only a portion of the physical shares held by me is accepted in the Buyback. Details of Equity Shares held and tendered / offered for Buyback:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (August 16, 2024)		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including additional shares, if any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with paragraph 22 on page 42 of the Letter of Offer (Procedure for Tender Offer and Settlement). Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

13. Details of Share Certificate(s) enclosed: _____ Total no. of Share Certificates submitted: _____

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Equity Shares
			From	To	
Total:					

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

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ACKNOWLEDGMENT SLIP: CERA SANITARYWARE LIMITED BUYBACK 2024
(To be filled by the Equity Shareholder) (Subject to verification)

Folio No.: _____

Received from Mr./ Ms./ M/s. _____

Form of Acceptance-cum-Acknowledgment, Original TRS along with:

Stamp of Broker/ Registrar

No. of Equity Shares offered for Buyback (In figures) _____ (In Words) _____

Please quote Folio No. for all future correspondence _____

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

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

15. Details of other documents (Please ✓ as appropriate, if applicable) enclosed:

	Power of Attorney		Previous RBI approvals for acquiring the Equity Shares of CERA Sanitaryware Limited hereby tendered in the Buyback
	Death Certificate		Succession Certificate
	Self-attested copy of Permanent Account Number (PAN card)		Corporate authorisations
	TRS		Others (please specify)

16. **Applicable for all Non-resident shareholders:**

- I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any, and to the extent required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, as amended ("FEMA") and any other the rules and regulations, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
- I / We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Shares are bought back by Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us. I / We undertake to return to the Company any consideration in respect of the Buyback that may be wrongfully received by me/us.

17. Equity Shareholders Details:

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

*Non-individual shareholders must affix rubber stamp and sign under valid authority. The relevant corporate authorisation should be enclosed with the application form submitted.

INSTRUCTIONS

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

- This Offer will open on Thursday, August 22, 2024 and close on Wednesday, August 28, 2024.
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buyback should submit the following documents to their Seller Member. The Seller Member in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar; the documents should be sent to the Registrar only after the placement of a valid bid; non-submission of the below mentioned documents by 5:00 p.m. IST on or before Wednesday, August 28, 2024 directly to the Registrar shall result in the rejection of the tendered Equity Shares: (i) the Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) original share certificates; (iii) valid share transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company/Registrar) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company; (iv) self-attested copy of the PAN Card (by all Eligible Shareholders in case shares are in joint names); (v) any other relevant documents such as (but not limited to) (a) duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form; (b) notarized copy of death certificate and succession certificate or probated will, as applicable, if the original Shareholder has deceased; and (c) necessary corporate authorisations, such as board resolutions etc., in case of companies; (vi) In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback on or before the Buyback Closing Date i.e., Wednesday, August 28, 2024 by 5:00 p.m. IST.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents: (i) Approval from the appropriate authority for such merger; (ii) the scheme of merger; and (iii) the requisite form filed with MCA intimating the merger.
- Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding the number of Shares held by them as on Record Date.
- All documents / remittances sent by or to Eligible Shareholders will be at their own risk and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
- For procedure followed by Eligible Shareholders for tendering shares in the Buyback, please refer to paragraph 22 on page 42 (*Procedure for Tender Offer and Settlement*) of the Letter of Offer.
- All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others: (a) If any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company; (b) non-submission of Notarized copy of death certificate and succession certificate / probated/ Will, as applicable in case any Eligible Shareholder has deceased; (c) if the Eligible Shareholder(s) tender the Equity Shares but the Registrar does not receive the physical share certificate; (d) in case the signature on the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar; (e) if necessary corporate authorizations under official stamp are not accompanied with tender form; (f) if the transmission of the Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or (g) the Form SH-4 is not witnessed.
- The Equity Shares tendered in the Buyback shall be rejected if (i) the Shareholder is not an Eligible Shareholder of the Company on the Record Date; (ii) if there is a name mismatch in the share certificate of the Shareholder; (iii) where there exists any restraint order of a Court/ any other competent authority for transfer / disposal/ sale of the Equity Shares; (iv) or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint, encumbrance subsists; or (v) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Wednesday, August 28, 2024 by 5:00 p.m. IST.
- By agreeing to participate in the Buyback, the non-resident Eligible 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, and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- Non-Resident Shareholders must obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

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

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ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NUMBER:

Investor Service Centre: Link Intime India Private Limited,

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

Mumbai – 400083, Maharashtra, India

Tel: + 91 810 811 4949;

Email: cerasanitaryware.buyback2024@linkintime.co.in;

Website: www.linkintime.co.in; Contact Person: Ms. Shanti Gopalkrishnan,

SEBI Registration No.: INR000004058; CIN: U67190MH1999PTC118368

Form No. SH-4 - Securities Transfer Form

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

Date of execution: ____/____/____

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

CIN:

L	2	6	9	1	0	G	J	1	9	9	8	P	L	C	0	3	4	4	0	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Name of the company (in full): **CERA SANITARYWARE LIMITED**

Name of the Stock Exchange where the company is listed, (if any) : BSE Limited and National Stock Exchange of India Limited

DESCRIPTION OF SECURITIES:

Kind/ Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Share	INR 5/-	INR 5/-	INR 5/-

No. of Securities being Transferred		Consideration received (INR)	
In figures	In words	In words	In figures

Distinctive Number	From		
	To		

Corresponding Certificate Nos.			

Transferors' Particulars

Registered Folio Number:

Name(s) in full	PAN No.	Signature(s)
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

I, hereby conform that the transferor has signed before me.

Signature of the Witness: _____

Name of the Witness: _____

Address of the Witness: _____

Pincode: _____

Transferees' Particulars

Name in full (1)	Father's/ Mother's / Spouse Name (2)	Address & E-mail id (3)
CERA SANITARYWARE LIMITED	NOT APPLICABLE	9, GIDC INDUSTRIAL ESTATE, KADI-382715, DIST. MEHSANA, NORTH GUJARAT, INDIA & HEMAL.SADIWALA@CERA-INDIA.COM
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
BUSINESS	[.]	1. _____ 2. _____ 3. _____

Folio No. of Transferee	Specimen Signature of Transferee(s)
1. _____	1. _____
2. _____	2. _____
	3. _____

Value of Stamp affixed: _____ (INR)

Stamps

Enclosures:

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

For Office Use Only

Checked by _____
 Signature Talled by _____
 Entered in the Register of Transfer on _____
 _____ vide Transfer no _____
 Approval Date _____
 Power of attorney / Probate / Death certificate / Letter of Administration
 Registered on _____ at _____
 No _____

Declaration (tick as applicable):

- Transferee is not required to obtain the Government approval under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 prior to transfer of shares; or
- Transferee is required to obtain the Government approval under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.

On the reverse page of the certificate

Name of the Transferor	Name of the Transferee	No. of shares	Date of Transfer

Signature of the authorized signatory