

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you, being an Eligible Shareholder of Gujarat Ambuja Exports Limited (the “Company”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended and subsequent amendments thereof. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Buyback Offer i.e. SBI Capital Markets Limited or the Registrar to the Buyback Offer i.e. Link Intime India Private Limited. Please refer to the section on ‘Definition of Key Terms’ for the definition of the capitalized terms used herein.



GUJARAT AMBUJA EXPORTS LIMITED

Registered Office: “Ambuja Tower”, Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059, Gujarat, India

Corporate Identification Number (CIN): L15140GJ1991PLC016151

Contact Person: Ms. Chetna Dharajiya, Company Secretary and Compliance Officer

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CASH OFFER FOR BUYBACK OF NOT EXCEEDING 2,36,84,210 (TWO CRORES THIRTY SIX LACS EIGHTY FOUR THOUSAND TWO HUNDRED AND TEN) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 2 EACH, REPRESENTING 17.12% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS ON MARCH 31, 2016, FROM ALL THE ELIGIBLE SHAREHOLDERS OF THE COMPANY AS ON THE RECORD DATE I.E. FRIDAY, FEBRUARY 10, 2017 ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” PROCESS FOR CASH AT A PRICE OF ₹ 95 (RUPEES NINETY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 225,00,00,000 (RUPEES TWO HUNDRED AND TWENTY FIVE CRORES ONLY)

- 1) The Buyback is being undertaken by the Company in accordance with the provisions contained in Article 16 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”), the Companies (Management and Administration) Rules, 2014, Regulation 4(1)(a) and other applicable provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (the “Buyback Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to Securities and Exchange Board of India (SEBI), the Stock Exchanges, etc.
- 2) The Buyback Offer Size represents 24.77% of the aggregate of the fully paid-up share capital and free reserves, as per the audited accounts of the Company for the financial year ended March 31, 2016 (the last audited standalone financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the statutory limits of 25% of the aggregate of the fully paid up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016.
- 3) The Letter of Offer is sent to the Eligible Shareholders as on the Record Date i.e. Friday, February 10, 2017.
- 4) The procedure for tendering Equity Shares and settlement is set out in paragraph 20 (*Procedure for Tender Offer and Settlement*) on page 31 of this Letter of Offer. The Tender Form is enclosed together with this Letter of Offer.
- 5) For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.28 (*Method of Settlement*) on page 37 of this Letter of Offer.
- 6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer (including Tender Form) shall be available on the website of Securities and Exchange Board of India - www.sebi.gov.in.
- 7) Eligible Shareholders are advised to refer to paragraph 17 (*Details of Statutory Approvals*) on page 26 of this Letter of Offer and paragraph 21 (*Note on Taxation*) on page 39 of this Letter of Offer before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK OFFER

REGISTRAR TO THE BUYBACK OFFER



SBI CAPITAL MARKETS LIMITED

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Mumbai 400 005

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Email: gael.buyback@sbicaps.com

Website: www.sbicaps.com

SEBI Registration No.: INM000003531

Validity Period: Permanent Registration

CIN: U99999MH1986PLC040298



LINK INTIME INDIA PRIVATE LIMITED

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E-mail: gael.offer@linkintime.co.in

Website: www.linkintime.co.in

SEBI Registration Number: INR000004058

Validity Period: Permanent Registration

CIN: U67190MH1999PTC118368

BUYBACK PROGRAMME

BUYBACK OPENS ON	THURSDAY, MARCH 02, 2017
BUYBACK CLOSES ON	THURSDAY, MARCH 16, 2017
LAST DATE/TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR	SATURDAY, MARCH 18, 2017 BY 5:00 P.M.

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1. SCHEDULE OF THE ACTIVITIES OF THE BUYBACK OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal of the Buyback	December 13, 2016	Tuesday
Date on which the result of the postal ballot through which the Shareholders approved the Buyback was declared	January 30, 2017	Monday
Date of Public Announcement for Buyback	January 31, 2017	Tuesday
Date of publication of the Public Announcement for the Buyback	February 01, 2017	Wednesday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	February 10, 2017	Friday
Date of Opening of the Buyback Offer	March 02, 2017	Thursday
Date of Closing of the Buyback Offer	March 16, 2017	Thursday
Last date of receipt of the completed Tender Forms and other specified documents including physical Equity Share certificates by the Registrar	March 18, 2017	Saturday
Last date of verification of Tender Forms by the Registrar to the Buyback	March 24, 2017	Friday
Last date of intimation to the Stock Exchange regarding acceptance / non-acceptance of tendered Equity Shares by the Registrar to the Buyback	March 24, 2017	Friday
Last date of settlement of bids on the Stock Exchanges	March 27, 2017	Monday
Last date of dispatch of share certificate(s) by Registrar to the Buyback / payment to shareholders/ return of unaccepted demat shares by Stock Exchanges to Shareholder Broker/ Eligible Shareholders	March 27, 2017	Monday
Last date of extinguishment of Equity Shares bought back	April 03, 2017	Monday

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

2 DEFINITION OF KEY TERMS

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

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

Term	Description
Acceptance	Acceptance of Equity Shares, tendered by Eligible Shareholders in the Buyback Offer
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Equity Shareholder upto the Equity Shares held by an Eligible Shareholder as on the Record Date
Articles/ AOA	Articles of Association of the Company
Board Meeting	Meeting of the Board of Directors held on December 13, 2016 approving the proposal for the Buyback Offer
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 'Committee' thereof)
BSE	BSE Limited
BSE Notice	Notice issued by BSE bearing number 20170202-34 dated February 02, 2017.
Buyback/ Buyback Offer / Offer/ Buyback Offer Size	Buyback of not exceeding 2,36,84,210 (Two Crores Thirty Six Lacs Eighty Four Thousand Two Hundred and Ten) Equity Shares at a price of ₹ 95 (Rupees Ninety Five) per Equity Share for an aggregate consideration not exceeding ₹ 225,00,00,000 (Rupees Two Hundred and Twenty Five Crores Only), on a proportionate basis, from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars and BSE Notice
Buyback Committee/ Committee	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated December 13, 2016
Buyback Entitlement / Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by such Eligible Shareholder on the Record Date and the ratio/ percentage of Buyback applicable in the category to which such Eligible Shareholder belongs
Buyback Closing Date	Thursday, March 16, 2017
Buyback Opening Date	Thursday, March 02, 2017
Buyback Regulations	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as amended from time to time
CDSL	Central Depository Services (India) Limited
Clearing Corporation/ ICCL	Indian Clearing Corporation Limited
Company/GAEL/ "we" / "Our"	Gujarat Ambuja Exports Limited, unless the context states otherwise
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable)
Companies Act, 2013	The Companies Act, 2013, as amended (to the extent notified)
Company's Broker	Ambit Capital Private Limited
Depositories	Collectively, NSDL and CDSL
Designated Stock Exchange	The designated stock exchange for the Buyback, being, BSE
DIN	Director Identification Number
Draft Letter of Offer/ Offer Document/ DLoF	The draft letter of offer dated February 04, 2017 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in

Term	Description
	relation to the Buyback as specified in Schedule III of the Buyback Regulations
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Equity Shares/ Shares	Fully paid-up equity shares of face value ₹ 2 each of the Company
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company and includes beneficial owner(s) thereof
Eligible Shareholder(s)	All shareholders / beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. Friday, February 10, 2017
Escrow Account	The escrow account titled “Gujarat Ambuja Exports Limited – Buyback Escrow Account” opened with the Escrow Agent in terms of the Escrow Agreement
Escrow Agent	HDFC Bank Limited
Escrow Agreement	The escrow agreement dated February 04, 2017 entered amongst the Company, Escrow Agent and the Manager
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
Form / Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders to participate in the Buyback
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
GACL	Gujarat Ambuja Cotspin Limited
GAPL	Gujarat Ambuja Proteins Limited
HUF	Hindu Undivided Family
Income Tax Act	Income-tax Act, 1961, as amended
JBL	Jupiter Biotech Limited
KYC	Know Your Customer
Letter of Offer	This Letter of Offer dated February 21, 2017 containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer
LTCG	Long-term Capital Gains
Ltd.	Limited
Manager / Manager to the Buyback Offer / SBICAP	SBI Capital Markets Limited
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FII(s), FPI(s) and erstwhile OCBs
NRE	Non Residents External
NRI	Non Resident Indian
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer Period / Tendering Period	Period of 10 working days from the date of opening of the Buyback Offer till its closure (both days inclusive)
Offer Price / Buyback Offer Price/ Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 95 (Rupees Ninety Five Only) per Equity Share, payable in cash
PAN	Permanent Account Number
Promoter(s)	(a) Shri Vijaykumar Gupta; (b) Shri Manish Gupta; (c) Smt. Sulochana Gupta; (d) Shri Mohit Gupta; and (e) Smt. Shilpa Gupta
Public Announcement / PA	The public announcement, made in accordance with the Buyback Regulations, dated January 31, 2017, which was published on February 01, 2017 in all editions of the Financial Express (English National daily), Jansatta (Hindi National daily) and Gujarat edition of Financial Express (Regional Language daily), each with wide circulation.
Ratio of Buyback	The ratio of the Buyback: (i) in case of Small Shareholders (“Reserved Category”), 82 Equity Shares for every 479 Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders (“General Category”), 82 Equity Shares for every 479 Equity Shares held by such Eligible

Term	Description
	Shareholder on the Record Date
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be Friday, February 10, 2017
Registrar to the Buyback Offer/ Registrar	Link Intime India Private Limited
SEBI	Securities and Exchange Board of India
SEBI Circulars	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, as may be amended from time to time
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Shareholder Broker	A stock broker (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than two lacs rupees, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. Friday, February 10, 2017
STCG	Short-term Capital Gains
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
Tender Offer	Method of Buyback as defined in Regulation 2(1)(o) of the Buyback Regulations
TRS	Transaction Registration Slip
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations

3 DISCLAIMER CLAUSE

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

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Draft Letter of Offer, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. The Manager to the Buyback Offer, SBI Capital Markets Limited, has furnished to SEBI a due diligence certificate dated February 04, 2017 in accordance with Buyback Regulations which reads as follows:

“We have examined various documents and materials contained in the annexure to the Letter of Offer, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement and the Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- *the Public Announcement and the Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback Offer;*
- *all the legal requirements connected with the said Buyback Offer including SEBI (Buy Back of Securities) Regulations, 1998, as amended, have been duly complied with;*
- *the disclosures in the Public Announcement and the Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer;*
- *funds used for Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”*

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

Promoters/ Board of Directors declare and confirm that no information/ material likely to have a bearing on the decision of the Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ mis-representation, the Promoters/ Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 1956 (or any re-enactment or replacement thereof), Companies Act, 2013, Buyback Regulations and other applicable laws and regulations.

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

Disclaimer for U.S. Persons:

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

Disclaimer for Persons in other foreign countries:

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

Forward Looking Statement:

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

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

4 TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on Tuesday, December 13, 2016. The extracts of the resolution of the Board Meeting is as follows:

“RESOLVED THAT pursuant to the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 as amended (the **“Companies Act”**) and in accordance with Article 16 of the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**) to the extent applicable, and in compliance with the, Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the **“Buyback Regulations”**), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to the approval of shareholders by postal ballot and/or e-voting and also such other approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, Ahmedabad, Gujarat (the **“ROC”**), Reserve Bank of India (**“RBI”**) and/ or other authorities, institutions or bodies (the **“Appropriate Authorities”**), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the **“Board”** which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the Buyback by the Company of its fully paid-up equity shares of ₹ 2 each not exceeding 2,36,84,210 (Two Crores Thirty Six Lacs Eighty Four Thousand Two Hundred and Ten) equity shares (representing 17.12% of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 95 (Rupees Ninety Five Only) per equity share (the **“Buy Back Offer Price”**) payable in cash for an aggregate consideration upto ₹ 225,00,00,000 (Rupees Two Hundred Twenty Five Crores Only) (the **“Buyback Offer Size”**) being 24.77 % of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended 31st March, 2016, which is not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended 31st March, 2016 from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the **Tender Offer** route as prescribed under the Buyback Regulations (hereinafter referred to as the **“Buyback”**).”

“RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated 13th April, 2015 read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated 9th December 2016, as may be amended from time to time.”

“RESOLVED FURTHER THAT such Buyback may be made out of the Company’s free reserves and / or such other sources as may be permitted by law through “Tender Offer” route and as required by the Buyback Regulations and the Companies Act, the Company may Buyback equity shares from all the existing members holding equity shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of equity shares which the Company proposes to Buyback or number of equity shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buyback Regulations.”

“RESOLVED FURTHER THAT Company has complied and shall continue to comply with Section 70 of the Companies Act wherein:

- a) It shall not directly or indirectly purchase its own shares:
 - i. through any subsidiary company including its own subsidiary companies; or
 - ii. through any investment company or group of investment companies;
- b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act.”

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

- a) all equity shares of the Company are fully paid up;

- b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any shares or other specified securities including by way of bonus, till the date of closure of this Buyback;
- d) the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations;
- e) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- f) that the aggregate consideration for Buyback upto ₹ 225,00,00,000 (Rupees Two Hundred Twenty Five Crores Only), does not exceed 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended 31st March, 2016 (the last audited financial statements available as on the date of the Board meeting);
- g) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. 2,36,84,210 (Two Crores Thirty Six Lacs Eighty Four Thousand Two Hundred and Ten) equity shares, does not exceed 25% of the total number of equity shares in the paid-up share capital of the Company;
- h) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder;
- i) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date.”

“RESOLVED FURTHER THAT as required by Clause (x) of Part A of Schedule II under Regulation 5(1) of the Buyback Regulations, the Board of Directors hereby confirms that they have made full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed an opinion that:

- a) immediately following the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- b) as regards the Company’s prospects for the year immediately following the date of this Board meeting as well as for the year immediately following the date on which the results of the Postal Ballot/ E-voting will be declared approving the Buyback, and having regard to the Board’s intention with respect to the management of Company’s business during that year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared; and
- c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be, including prospective and contingent liabilities.”

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

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

“RESOLVED FURTHER THAT the Company shall not Buyback the locked-in equity shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the equity shares or other specified securities become transferable.”

“RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form, placed before the meeting be and is hereby approved and Shri Vijaykumar Gupta, Chairman and Managing Director and Shri Manish Gupta, Managing Director be and are hereby severally / jointly authorized to finalise and sign the same, for and on behalf of the Board, and Ms. Chetna Dharajiya, Company Secretary be and is hereby authorised to file the same with the ROC and the SEBI.”

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

“RESOLVED FURTHER THAT as per the provisions of Section 68(8) of the Companies Act, the Company will not issue same kind of shares including allotment of new shares under clause (a) of subsection (1) of Section 62 of the Companies Act or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus issue of shares or equity shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.”

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

“RESOLVED FURTHER THAT the Buyback is being proposed in keeping with the Company’s desire to enhance overall shareholders value and the Buyback would lead to reduction in total number of equity shares.”

“RESOLVED FURTHER THAT the approval of Board for appointment of Manager to the Buyback offer i.e. SBI Capital Markets Limited and Legal Advisors i.e. Dhir & Dhir Associates, be and is hereby accorded.”

“RESOLVED FURTHER THAT a Committee be and is hereby constituted (“**Buyback Committee**”) comprising of Shri Vijaykumar Gupta, Chairman and Managing Director, Shri Manish Gupta, Managing Director, Shri Sudhin Choksey and Shri Rohit Patel, Independent Directors and that Ms. Chetna Dharajiya, Company Secretary shall act as the Secretary to the Buyback Committee and that the Buyback Committee 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, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

- a) finalizing the terms of Buyback like the mechanism for the Buyback, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- d) preparation, signing and filing of public announcements, the draft letter of offer/ letter of offer with the SEBI, ROC, the stock exchanges and other Appropriate Authority(ies);
- e) making all applications to the Appropriate Authority(ies) for their requisite approvals including approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- f) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or Board, as required under applicable law;

- g) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- h) 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;
- i) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities;
- j) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- k) dealing 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 using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated 13th April, 2015 read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated 9th December 2016, as may be amended from time to time;
- l) to sub-delegate all or any of the authorisations conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(s) of the Company;
- m) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;
- n) to settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.”

“**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members.”

“**RESOLVED FURTHER THAT** in terms of Regulation 19(3) of the Buyback Regulations, Ms. Chetna Dharajiya, Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback.”

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

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

“**RESOLVED 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 ROC and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

5. DETAILS OF PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 8(1) of the Buyback Regulations, the Company has made a Public Announcement dated January 31, 2017 in relation to the Buyback which was published on February 01, 2017 in the following newspapers. The Public Announcement was issued within two working days from the date of the Shareholder's approving the Buyback, by special resolution through postal ballot, the result of which was declared on January 30, 2017 in the following newspapers:

Publication	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
Financial Express	Gujarati	Regional edition

A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in.

6 DETAILS OF THE BUYBACK

The Board of Directors of Gujarat Ambuja Exports Limited on December 13, 2016 passed a resolution to buyback equity shares of the Company and sought approval of shareholders, by a special resolution, through postal ballot notice dated December 13, 2016, the results of which were announced on Monday, January 30, 2017. Through the postal ballot, the shareholders of the Company have approved, by way of special resolution, the Buyback of not exceeding 2,36,84,210 (Two Crores Thirty Six Lacs Eighty Four Thousand Two Hundred and Ten) fully paid-up equity shares of face value ₹ 2 each from all the existing shareholders/ beneficial owners of the Equity Shares of the Company, on a proportionate basis, through the “**Tender Offer**” process, at a price of ₹ 95 (Rupees Ninety Five Only) per Equity Share payable in cash, for an aggregate consideration not exceeding ₹ 225,00,00,000 (Rupees Two Hundred and Twenty Five Crores Only).

The Buyback is in accordance with the provisions contained in the Article 16 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014 (the “**Share Capital Rules**”), the Companies (Management and Administration) Rules, 2014, (the “**Management Rules**”) and the provisions contained in the Buyback Regulations.

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

The Buyback Offer Size represents 24.77% of the aggregate of the fully paid-up share capital and free reserves, as per the audited accounts of the Company for the financial year ended March 31, 2016 (the last audited standalone financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the limits of 25% of the total fully paid up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016. The maximum number of Equity Shares proposed to be bought back represents 17.12% of the total number of Equity Shares in the paid-up share capital of the Company as on March 31, 2016.

The maximum amount required by the Company for the said Buyback will not exceed ₹ 225,00,00,000 (Rupees Two Hundred and Twenty Five Crores Only), and is within permitted limits.

The Buyback will be sourced from liquidation of investments held by the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The Company confirms that as required under Section 68(2) (d) of the Companies Act, 2013, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.

The Buyback Offer Price of ₹ 95 per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on Stock Exchanges where the Equity Shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer Price of ₹ 95 (Rupees Ninety Five Only) per Equity Share represents (i) a premium of 8.50% on BSE and 8.40% on NSE over the average of volume

weighted average price of the equity shares on BSE and NSE respectively for 3 months preceding the date of intimation to the BSE/ NSE for the Board Meeting to consider the proposal of the Buyback; (ii) premium of 12.52% on BSE and 12.32% on NSE over the average of volume weighted average price of the equity on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; and (iii) premium of 11.96% on BSE and 12.22% on NSE over the closing market price of the equity shares on BSE and NSE respectively as on the date of the intimation to BSE/ NSE for the Board Meeting to consider the proposal of the Buyback.

The Buyback shall be on a proportionate basis from all the Eligible Shareholders of the Company as on the Record date i.e. Friday, February 10, 2017 through the “**Tender Offer**” process, as prescribed under Regulation 4(1)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified in SEBI Circulars and notice issued by BSE bearing number 20170202-34 dated February 02, 2017.

The Buyback Offer Size does not include any other expenses incurred or to be incurred for the Buyback like SEBI filing fees, Stock Exchanges fees, advisors fees, Public Announcement publication expenses, printing & dispatch expenses, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty and other incidental & related expenses.

The aggregate shareholding of the Promoters as on the Record Date (i.e. February 10, 2017) is as follows:

S. No.	Name of the Promoter	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
1.	Shri Vijaykumar Gupta	2,80,23,083	2,80,23,083	20.25%
2.	Shri Manish Gupta	3,75,85,230	3,75,85,230	27.17%
3.	Shri Mohit Gupta	2,24,47,442	2,24,47,442	16.22%
4.	Smt. Sulochana Gupta	44,85,385	44,85,385	3.24%
5.	Smt. Shilpa Gupta	70,23,253	70,23,253	5.08%
Total		9,95,64,393	9,95,64,393	71.96%

In terms of the Buyback Regulations, under the Tender Offer process, the Promoters of the Company have the option to participate in the Buyback. In this regard, the following Promoters have informed vide their individual letters each dated December 13, 2016 regarding their intention for non-participation in the Buyback:

S. No.	Name of the Promoter
1.	Shri Manish Gupta
2.	Smt. Sulochana Gupta
3.	Smt. Shilpa Gupta

Further, the following two Promoters have expressed their intention, vide their individual letters each dated December 13, 2016 to participate in the Buyback and tender the number of equity shares as set out against their respective names herein below:

S. No.	Name of the Promoter	Equity Shares held as on December 13, 2016	Equity Shares intended to be offered in the Buyback
1.	Shri Vijaykumar Gupta	2,80,23,083	2,25,00,000
2.	Shri Mohit Gupta	2,24,47,442	2,24,47,442

Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoters in the Company may increase or decrease from the existing 71.96% holding in the total paid-up equity share capital and voting rights of the Company. The Promoters of the Company are already in control over the Company and therefore such increase/decrease in voting rights of the Promoters will not result in any change in control over the Company.

Post Buyback, the non-promoter shareholding of the Company may increase or decrease from the existing 28.04% of the post Buyback equity share capital of the Company. We confirm that post

Buyback, the non-promoter shareholding shall not fall below the minimum level required as per the SEBI Listing Regulations.

7 AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions contained in the Article 16 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, the Share Capital Rules, the Management Rules and the provisions contained in the Buyback Regulations.

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

The Board of Directors at their meeting on December 13, 2016 passed a resolution approving buyback of Equity Shares of the Company and sought approval of Shareholders, by a special resolution, through postal ballot notice dated December 13, 2016, the results of the postal ballot were announced on Monday, January 30, 2017. The Shareholders of the Company have approved the Buyback by way of a special resolution, through the postal ballot as aforesaid.

8 NECESSITY OF THE BUYBACK

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the members holding equity shares of the Company. The buyback through the tender offer process gives an option to all the shareholders, including the Promoters, to receive the surplus cash by participating in the buyback.

The Board of Directors of the Company is of the view that the proposed Buyback will help the Company achieve the following long term benefits:

- (a) optimizes the capital structure; and
- (b) results in improved ratio.

This may lead to reduction in outstanding shares, improvement in EPS and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.

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

9.1 The Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full response to the Buyback to the extent of 100%, the funds deployed by the Company towards the Buyback would be ₹ 225,00,00,000 (Rupees Two Hundred and Twenty Five Crores Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

9.2 The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.

In terms of the Buyback Regulations, under the Tender Offer process, the Promoters of the Company have the option to participate in the Buyback. In this regard, the following Promoters have informed vide their individual letters each dated December 13, 2016 regarding their intention for non-participation in the Buyback:

S. No.	Name of the Promoter
1	Shri Manish Gupta
2	Smt. Sulochana Gupta
3	Smt. Shilpa Gupta

- 9.3 Further, the following two Promoters have expressed their intention, vide their individual letters each dated December 13, 2016, to participate in the Buyback and tender the number of Equity Shares as set out against their respective names herein below:

S. No.	Name of the Promoter	Number of Shares proposed to be tendered under the Buyback Offer
1.	Shri Vijaykumar Gupta	2,25,00,000
2.	Shri Mohit Gupta	2,24,47,442

- 9.4 Details of the acquisition/ sale of the Equity Shares that the said two Promoters have acquired/sold till date are set-out below:

(i) *Shri Vijaykumar Gupta*

Transaction Period	No. of Equity Shares	Net Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
Financial Year 1991-92	4,50,200	45,02,000.00	Allotment
	(100)	3,800.00	Market Sale
Financial Year 1992-93	(7,900)	2,67,450.00	Market Sale
Financial Year 1993-94	(31,900)	8,27,142.00	Market Sale
Financial Year 1994-95	(2,500)	81,200.00	Market Sale
	29,700	9,56,000.00	Market Purchase
Financial Year 1995-96	(1,400)	45,150.00	Market Sale
	43,200	7,80,400.00	Market Purchase
Financial Year 1996-97	(4,500)	74,900.00	Market Sale
	2,83,300	57,34,035.00	Market Purchase
Financial Year 1997-98	1,60,900	28,09,400.00	Market Purchase
Financial Year 1998-99	(1,46,250)	17,39,275.00	Market Sale
	7,47,040	78,49,400.00	Market Purchase
Financial Year 1999-00	(4,74,689)	47,22,701.25	Market Sale
	1,36,788	13,32,357.00	Market Purchase
	10,61,861	0.00	Amalgamation of Gujarat Ambuja Proteins Limited and Gujarat Ambuja Cotspin Limited ¹
Financial Year 2000-01	(29,901)	7,51,803.40	Market Sale
	2,59,499	28,32,577.90	Market Purchase
	43,00,000	0.00	Conversion of Optionally Convertible unsecured Debentures ²
Financial Year 2001-02	(59,490)	4,84,469.50	Market Sale
	5,07,758	42,73,024.10	Market Purchase
Financial Year 2002-03	(1,82,429)	18,52,992.37	Market Sale
	4,39,190	43,09,477.25	Market Purchase
Financial Year 2003-04	(5,34,220)	1,36,71,589.89	Market Sale
	16,86,335	3,42,06,903.82	Market Purchase
	(1,300)	0.00	Gift to Sulochana Gupta
	15,51,260	0.00	Amalgamation of Jupiter Biotech Limited ³
Financial Year 2004-05	(1,47,703)	60,00,205.12	Market Sale
	13,42,592	4,74,84,473.06	Market Purchase
Financial Year 2005-06	(30,73,679)	0.00	Gift to Manish Gupta
	(3,49,967)	1,75,13,978.99	Market Sale
	3,18,06,780	0.00	Sub Division of face value of shares ⁴
Financial Year 2007-08	(8,00,000)	0.00	Gift to Manish Gupta
Financial Year 2008-09	64,608	11,01,253.16	Market Purchase
Financial Year 2013-14	(1,10,00,000)	0.00	Gift to Mohit Gupta
Total Current Holding	2,80,23,083	-	

Notes:

1. In the Financial Year 1999-2000, amalgamation of the Company was effected with Gujarat Ambuja Proteins Limited (GAPL) and Gujarat Ambuja Cotspin Limited (GACL), and pursuant to the said amalgamations 10,61,861 Equity Shares of the Company were allotted to Shri Vijaykumar Gupta.
2. As on October 20, 2000, 43,00,000 Equity Shares of the Company have been allotted to Shri Vijaykumar Gupta pursuant to the conversion of optionally convertible unsecured debentures into shares of the Company.
3. In the Financial Year 2003-2004, amalgamation of the Company was effected with Jupiter Biotech Limited (JBL), and pursuant to the said amalgamation 15,51,260 shares of the Company were allotted to Shri Vijaykumar Gupta.
4. 2,78,63,698 equity shares of the Company having face value of ₹10 each have been subdivided/ split into 13,93,18,490 shares of ₹2 each, on January 17, 2006.

(ii) Shri Mohit Gupta

Transaction Period	No. of Equity Shares	Net Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
Financial Year 2001-02	8,00,000	64,00,000.00	Market Purchase
Financial Year 2002-03	6,63,842	68,42,711.15	Market Purchase
	(76,923)	8,02,554.60	Market Sale
Financial Year 2003-04	11,500	1,46,625.00	Market Purchase
	4,05,000	0.00	Amalgamation of Jupiter Biotech Limited ¹
Financial Year 2005-06	72,13,676	0.00	Sub Division of face value of shares ²
Financial Year 2013-14	1,10,00,000	0.00	Gift from Vijaykumar Gupta
	24,30,347	5,78,03,070.00	Market Purchase
Total Current Holding	2,24,47,442	-	

Notes:

1. In the Financial Year 2003-2004, amalgamation of the Company was effected with Jupiter Biotech Limited (JBL), pursuant to the said amalgamation 4,05,000 shares of the Company were allotted to Shri Mohit Gupta.
 2. 2,78,63,698 equity shares of the Company having face value of ₹10 each have been subdivided/ split into 13,93,18,490 shares of ₹2 each, on January 17, 2006.
- 9.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buyback Entitlement, the Promoter shareholding as a percentage to the post buyback share capital will remain same as the Promoter shareholding as a percentage to the pre buyback share capital i.e. 71.96% and the public shareholding as a percentage to the post buyback share capital will remain same as the public shareholding as a percentage to the pre buyback share capital i.e. 28.04%.
- 9.6 The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.7 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, FIIs, FPIs, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.8 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed under Section 68 of the Companies Act, 2013, even if the response to the Buyback is to the extent of 100% (full acceptance).
- 9.9 In compliance with regulation 19(1)(b) of the Buyback Regulations, the Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.

- 9.10 The Company shall not raise further capital for a period of one year from the closure of Buyback except in discharge of its subsisting obligations.
- 9.11 Salient financial parameters consequent to the Buyback based on the standalone audited financial statements as on March 31, 2016 of the Company are as under:

Parameters	Pre-Buyback	Post- Buyback*
Net worth ¹ (₹ in Crores)	908.21	683.21
Return on Networth ² (%)	11.40	15.16
Earnings Per Share ³ (₹) (of ₹ 2 each) (not annualized)	7.49	9.03
Book Value per Share ⁴ (₹)	65.54	59.58
Price/Earnings (P/E) as per the latest audited financial results for the financial ended March 31, 2016 ⁵ (₹)	12.64	10.48
Debt/ Equity Ratio ⁶	0.36	0.48

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

Note:

1. Net worth = Equity Share Capital + Free Reserves & Surplus – Miscellaneous Expenditure & Revaluation Reserves.
2. Return on Networth(%) = Profit/(Loss) After Tax / Net Worth
3. Earnings Per Share = Profit/(Loss) After Tax / No. of Equity Shares outstanding during the year
4. Book Value per share = Net worth / No. of Equity Shares outstanding during the year
5. Price/Earnings (P/E) = Market value has been taken as ₹ 94.65 (price on BSE as of January 31, 2017 for both pre and post buyback P/E ratio) as public announcement was published on February 01, 2017
6. Debt/ Equity Ratio = Total Debt /Net worth

10 BASIS OF CALCULATING BUYBACK PRICE

- 10.1 The Buyback price of ₹ 95 (Rupees Ninety Five Only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on Stock Exchanges where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company.
- 10.2 The Buyback price of ₹ 95 (Rupees Ninety Five Only) per Equity Share represents (i) a premium of 8.50% on BSE and 8.40% on NSE over the average of volume weighted average price of the equity shares on BSE and NSE respectively for 3 months preceding the date of intimation to the BSE/ NSE for the Board Meeting to consider the proposal of the Buyback; (ii) premium of 12.52% on BSE and 12.32% on NSE over the average of volume weighted average price of the equity on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; and (iii) premium of 11.96% on BSE and 12.22% on NSE over the closing market price of the equity shares on BSE and NSE respectively as on the date of the intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.
- 10.3 For trends in the market price of the Equity Shares of the Company, please refer to paragraph 16 (*Stock Market Data*) of this Letter of Offer.
- 10.4 The closing market price of the Equity Shares as on the date of intimation to the BSE and/or NSE for the Board Meeting for considering the Buyback i.e. December 07, 2016, was ₹ 84.85 and ₹ 84.65 on BSE and NSE, respectively.
- 10.5 The book value of the Company pre-Buyback as on March 31, 2016 was ₹ 65.64, which will decrease to ₹ 59.58 post Buyback Offer based on the assumption of full acceptance of the Buyback and subject to the notes mentioned under the table on salient financial parameters in paragraph 9.11 of this Letter of Offer.
- 10.6 The earning per share of the Company pre-Buyback as on March 31, 2016 was ₹ 7.49 which will increase to ₹ 9.03 post Buyback based on the assumption of full acceptance of the Buyback and subject to the notes mentioned under the table on salient financial parameters in paragraph 9.11 of this Letter of Offer.

- 10.7 The Return on Net-worth of the Company pre Buyback as on March 31, 2016 was 11.40% which will increase to 15.16% post Buyback based on the assumption of full acceptance of the Buyback and subject to the notes mentioned under the table on salient financial parameters in paragraph 9.11 of this Letter of Offer.

11 SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 2,36,84,210 (Two Crores Thirty Six Lacs Eighty Four Thousand Two Hundred and Ten) Equity Shares at a price of ₹ 95 (Rupees Ninety Five Only) per Equity Share would be ₹ 225,00,00,000 (Rupees Two Hundred and Twenty Five Crores Only) (excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.)
- 11.2 The Buyback shall be made out of the free reserves of the Company as at March 31, 2016 (the last audited standalone financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet and Annual Report(s).
- 11.3 The funds for the Buyback will be sourced from liquidation of investments held by the Company. The Board of Directors of the Company has identified and earmarked specific investments for the purpose of fulfillment of the obligations of the Company under the Buyback, further borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.4 This Buyback is not likely to cause any material impact on the earnings of the Company, except for the cost of financing the Buyback, being a reduction in the treasury income that the Company could have otherwise earned on the funds deployed.

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

- 12.1 In accordance with Regulation 10 of the Buyback Regulations, the Company has appointed HDFC Bank Limited having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai-400013, as the Escrow Agent for the aforementioned Buyback. An Escrow Agreement dated February 04, 2017 has been entered into amongst the Company, SBI Capital Markets Limited and Escrow Agent.
- 12.2 In accordance with the Escrow Agreement, the Company has opened an Escrow Account in the name and style "Gujarat Ambuja Exports Ltd – Buyback Escrow Account" bearing account number 00060310007146 with the Escrow Agent. In compliance with the provision of the Regulation 10(2) of the Buyback Regulations, the Company has submitted a bank guarantee in favour of the Manager for an amount of ₹ 37,50,00,000 (Rupees Thirty Seven Crores Fifty Lacs only) being equivalent to 25% upto ₹ 100 crores and 10% thereafter of the total consideration payable by the Company under the Buyback Offer, assuming full acceptance. Further, the Company has deposited cash of ₹ 2,25,00,000 (Rupees Two Crores Twenty Five Lacs only) in the Escrow Account, constituting 1% of the total consideration payable by the Company under the Buyback Offer, assuming full acceptance, in compliance with the provisions of Regulation 10(8) of the Buyback Regulations. SBI Capital Markets Limited has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.3 The Board of Directors of the Company have identified and earmarked specific investments for the purpose of fulfillment of the obligations of the Company under the Buyback. Such investments, together with funds provided for escrow arrangements, are adequate to fulfill all the obligations under Buyback Regulations.
- 12.4 M/s Kantilal Patel & Co., Chartered Accountants, located at 202, 'Paritosh', Usmanpura (River Front), Ahmedabad-380 013, Gujarat, India, Tel. No.: +91 (79) 27551333/27552333, Fax.: 27550538; Contact Person: CA Jinal A. Patel (Membership No.: 153599) has certified, vide their certificate dated February 01, 2017, that the Company has adequate financial resources for fulfilling all obligations under the Buyback Offer.
- 12.5 Based on the above certificate, the Manager to the Buyback Offer has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

13 CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1 The capital structure of the Company as on the Record Date and Post Buyback, is as follows:

Particulars	Aggregate value at face value (₹ in crores)
Authorised share capital	
25,00,00,000 Equity Shares of ₹ 2 each	50.00
Issued, subscribed and paid up share capital before the Buyback	
13,83,51,875 Equity Shares of ₹ 2 each, fully paid up	27.67
Issued, subscribed and paid up share capital after the Buyback	
11,46,67,665 Equity Shares of ₹ 2 each, fully paid up	22.93*

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

13.2 During the 3 years preceding the date of the Public Announcement (i.e. January 31, 2017), the Company has not bought back any Equity Shares under any Buyback programme.

13.3 As on the date of the Public Announcement (i.e. January 31, 2017), there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.

13.4 The shareholding pattern of the Company pre-Buyback, as on the Record Date (i.e. February 10, 2017), as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing equity share capital	No. of Equity Shares	% of the post Buyback equity share capital
Promoters	9,95,64,393	71.96	8,25,19,970	71.96
Foreign Investors (including Non Resident Indians, FIIs, FPIs and Foreign Mutual Funds)	16,90,748	1.22	3,21,47,695	28.04
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	1,05,557	0.08		
Others (public, public bodies corporate etc.)	3,69,91,177	26.74		
Total	13,83,51,875	100.00	11,46,67,665	100.00

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback Entitlement and ignoring fractional entitlement.

13.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement, the Promoter shareholding as a percentage to the post buyback share capital will remain same as the Promoter shareholding as a percentage to the pre buyback share capital i.e. 71.96%.

13.6 No shares or other specified securities in the Company were either purchased or sold by the Promoters during the period of six months preceding the date of the Board Meeting at which the Buyback was approved i.e. December 13, 2016 and from that date till the date of notice of Postal Ballot for Buyback.

Subsequent to the date of postal ballot notice i.e. December 13, 2016, till the date of this Letter of Offer, the Promoters of the Company have not entered into any transactions in relation to the Equity Shares of the Company.

13.7 No Equity Shares have been purchased/ sold/ transferred by the Promoters of the Company during the period of twelve months preceding the date of the Public Announcement (i.e. January 31, 2017).

13.8 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act, 2013.

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

14 BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 The Company was incorporated on August 21, 1991 under the Companies Act, 1956 as a Public Limited Company. The registered office of the Company is situated at “Ambuja Tower”, Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059, Gujarat, India.
- 14.2 The Equity shares of the Company are listed on BSE Limited (Security Code: “524226”) and The National Stock Exchange of India Limited (Symbol: “GAEL”).
- 14.3 The Company is principally involved in agro-processing and trading and is focused on exports. Its business segments are agro-processing, cotton yarn and maize processing. The agro-processing division comprises of solvent extraction of edible oilseed and refining, deoiled cakes (DOC), wheat processing and cattle feed manufacturing. The Company caters to the large corporates and multinational companies.
- 14.4 The Company has a pan India presence with various manufacturing plants strategically located in the States of Gujarat, Madhya Pradesh, Maharashtra, Uttarakhand and Karnataka. It has solvent extraction facilities in Kadi, Gujarat, Akola, Maharashtra, and Pithampur and Mandsour, both in Madhya Pradesh. The Company has maize processing capacities in the States of Gujarat, Uttarakhand & Karnataka. Its cotton yarn spinning unit, is in Himmatnagar. The Company have two wheat processing unit at Kadi, Gujarat & at Pithampur, Madhya Pradesh.
- 14.5 The Company manufactures refined oil and de-oiled cakes (DOC), maize products such as starch, glucose, sorbitol, dextrose monohydrate powder, and maltose dextrine powder and cotton yarn. These products find application in various industries such as Agro, Food, Pharma, Confectionery, Personal Care, Consumer Products, Hosiery and garment industry.
- 14.6 Details of the changes in share capital of the Company since incorporation are as follows:

Date of Issue/ Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Consideration in Cash/ other than cash (₹)	Cumulative No. of Equity Shares	Paid up Equity Share Capital (₹)	Cumulative Paid up Equity Share Capital (₹)
August 21, 1991	70	10	10	700	70	700	700
December 6, 1991	9,99,930	10	10	99,99,300	10,00,000	99,99,300	1,00,00,000
January 22, 1992	15,20,000	10	10	1,52,00,000	25,20,000	152,00,000	2,52,00,000
June 22, 1992	3,78,000	10	10	37,80,000	28,98,000	37,80,000	2,89,80,000
June 29, 1992	43,47,000	10	10	4,34,70,000	72,45,000	434,70,000	7,24,50,000
April 30, 1999 ¹	1,64,37,782	10	10	16,43,77,820	2,36,82,782	16,43,77,820	23,68,27,820
October 20, 2000 ²	63,00,000	10	10	6,30,00,000	2,99,82,782	630,00,000	29,98,27,820
February 28, 2003	(62,17,084)	10	10	6,21,70,840	2,37,65,698	(621,70,840)	23,76,56,980
January 31, 2004 ³	40,98,000	10	10	40,98,00,000	2,78,63,698	409,80,000	27,86,36,980
January 17, 2006 ⁴	The Equity Shares of face value ₹ 10 each were split into Equity Shares of ₹ 2 each.						
January 15, 2008	(9,66,615)	2	2	19,33,230	13,83,51,875	(19,33,230)	27,67,03,750

Notes:

- ¹ In the Financial Year 1999-2000, amalgamation of the Company was effected with Gujarat Ambuja Proteins Limited (GAPL) and Gujarat Ambuja Cotspin Limited (GACL), and pursuant to the said amalgamations 1,64,37,782 Equity Shares of the Company were issued and allotted.

- ² As on October 20, 2000, 63,00,000 Equity Shares of the Company have been issued and allotted pursuant to the conversion of optionally convertible unsecured debentures into shares of the Company.
- ³ In the Financial Year 2003-2004, amalgamation of the Company was effected with Jupiter Biotech Limited (JBL), and pursuant to the said amalgamation 40,98,000 shares of the Company were issued and allotted.
- ⁴ 2,78,63,698 equity shares of the Company having face value of ₹ 10 each have been subdivided/ split into 13,93,18,490 shares of ₹ 2 each, on January 17, 2006.

14.7 The Board of Directors of the Company as on the date of the Public Announcement (i.e. January 31, 2017) was as under:

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Director on the Board since:	Other Directorships
1.	Shri Vijaykumar Gupta Qualification: BDS Occupation: Industrialist Age: 67 Years DIN: 00028173	Chairman and Managing Director	August 21, 1991	<ul style="list-style-type: none"> • Maharashtra Ambuja Exports Limited • Maharashtra Ambuja Biotech Limited • Jay Agriculture and Horticulture Products Private Limited • Jay Ambe Infra Projects Private Limited • Esveegee Starch and Chemicals Private Limited • Esveegee Realty (Gujarat) Private Limited
2.	Shri Manish Gupta Qualification: B.Com Occupation: Industrialist Age: 45 Years DIN: 00028196	Managing Director	August 21, 1991	<ul style="list-style-type: none"> • Maharashtra Ambuja Exports Limited • Maharashtra Ambuja Biotech Limited • Jay Agriculture and Horticulture Products Private Limited • Jay Ambe Infra Projects Private Limited • Royale Exports Limited
3.	Smt. Sulochana Gupta Qualification: Undergraduate Occupation: Industrialist Age: 63 Years DIN: 00028225	Non-Executive Director	August 21, 1991	<ul style="list-style-type: none"> • Maharashtra Ambuja Exports Limited • Maharashtra Ambuja Biotech Limited • Esveegee Starch and Chemicals Private Limited • Esveegee Realty (Gujarat) Private Limited
4.	Shri Sandeep Agrawal Qualification: M.B.A Occupation: Business Age: 45 Years DIN: 00027244	Whole Time Director	January 07, 1995	<ul style="list-style-type: none"> • Sealac Agro Ventures Limited
5.	Shri Mohit Gupta Qualification: Diploma in International Business Management and Human Resource Management,	Joint Managing Director	July 30, 2005	<ul style="list-style-type: none"> • Jay Agriculture and Horticulture Products Private Limited

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Director on the Board since:	Other Directorships
	Family Business Management from S.P Jain Institute of Management and Research and Diploma Computer Information System from University of South Alabama, USA Occupation: Industrialist Age: 35 Years DIN: 00028282			
6.	Shri Rohit Patel Qualification: B.E. II (Electrical) Occupation: Management Consultant Age: 70 Years DIN: 00012367	Independent Director	July 30, 2005	<ul style="list-style-type: none"> Vadilal Chemicals Limited
7.	Shri Sudhin Choksey Qualification: B.Com (H), FCA Occupation: Service Age: 62 Years DIN: 00036085	Independent Director	February 06, 2012	<ul style="list-style-type: none"> Gruh Finance Limited Deepak Nitrite Limited Light Microfinance Private Limited Credila Financial Services Private Limited
8.	Shri Rashmikant Joshi Qualification: M.A., LL.B. Occupation: Retired IAS Officer Age: 66 Years DIN: 06930067	Independent Director	September 06, 2014	<ul style="list-style-type: none"> NIL
9.	Shri Vishwavir Saran Das Qualification: B.A (Economics), Masters of Administrative Management Occupation: Retired Executive Director, RBI Age: 64 Years DIN: 03627147	Independent Director	March 12, 2016	<ul style="list-style-type: none"> IDFC Asset Management Company Limited JCB India Limited
10.	Shri Sandeep Singhi Qualification: B. Com., LL. B. Occupation: Advocate Age: 50 Years DIN: 01211070	Independent Director	April 30, 2016	<ul style="list-style-type: none"> The Sandesh Limited

14.8 The details of changes in the Board of Directors during the last 3 years from the date of the Public Announcement (i.e. January 31, 2017) are as under:

S. No.	Name, Designation and DIN	Effective Date	Appointment/ Cessation	Reasons
1.	Shri Chaitan Manbhai Maniar Designation: Director DIN: 00034121	June 29, 2014	Cessation	Due to demise
2.	Shri Rashmikant Joshi Designation: Independent Director DIN: 06930067	September 15, 2014	Appointment	His experience and knowledge will be valuable to the Company

S. No.	Name, Designation and DIN	Effective Date	Appointment/ Cessation	Reasons
3.	Shri Ashok Gandhi Designation: Independent Director DIN: 00022507	March 31, 2016	Cessation	Retirement
4.	Shri Prakash Ramrakhiani Designation: Independent Director DIN: 00027900	March 31, 2016	Cessation	Retirement
5.	Shri Vishwavir Saran Das Designation: Independent Director DIN: 03627147	April 01, 2016	Appointment	His experience and knowledge will be valuable to the Company
6.	Shri Sandeep Singhi Designation: Independent Director DIN: 01211070	April 30, 2016	Appointment	His experience and knowledge will be valuable to the Company

14.9 The Buyback will not result in any benefit to any Directors of the Company/ Promoters / person in control of the Company/ group companies except to the extent of their intention to participate in the Buyback and actual participation in the Buyback 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 of the Company, post Buyback.

14.10 The Board of Directors of the Company hold the following Equity Shares as on the Record Date (i.e. February 10, 2017):

S. No.	Name of the Director	No. of Equity Shares held	No. of Equity Shares held in dematerialised form	Percentage of issued Equity Share capital
1.	Shri Vijaykumar Gupta Chairman and Managing Director	2,80,23,083	2,80,23,083	20.25%
2.	Shri Manish Gupta Managing Director	3,75,85,230	3,75,85,230	27.17%
3.	Shri Mohit Gupta Joint Managing Director	2,24,47,442	2,24,47,442	16.22%
4.	Smt. Sulochana Gupta Non-Executive Director	44,85,385	44,85,385	3.24%
5.	Shri Sandeep Agrawal Whole Time Director	700	700	Negligible

15 FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient financial information of the Company, as extracted from the standalone audited financial statements for the last three financial years viz. March 31, 2016, March 31, 2015 and March 31, 2014 and six months period ended September 30, 2016 is detailed below:

Key Financials	(₹ in crores)			
	For the six months ended September 30, 2016 (Limited Review)*	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)	For the year ended March 31, 2014 (Audited)
Revenue from Operations	1,424.03	2,736.48	2,531.30	3,091.81
Other Income	7.12	9.84	9.14	10.09
Total Income	1,431.15	2,746.32	2,540.44	3,101.90
Total Expenses	1,293.49	2,548.64	2,366.79	2,896.87
Interest/ Finance Cost	3.51	9.91	15.00	20.65
Depreciation	34.76	65.07	60.97	47.41
Exceptional Items: Expense / (Income)	0.00	0.00	0.00	0.00

Key Financials	For the six months ended September 30, 2016 (Limited Review)*	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)	For the year ended March 31, 2014 (Audited)
Profit Before Tax	99.39	122.70	97.68	136.97
Provisions for Tax (including Deferred Tax)	19.87	19.12	13.59	25.31
Profit/ (Loss) After Tax	79.52	103.58	84.09	111.66
Paid-up Equity Share Capital	27.67	27.67	27.67	27.67
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off*	992.91	880.54	790.28	719.70
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	1,020.58	908.21	817.95	747.37
Total Debt	258.11	328.51	309.30	401.47
Total Debt (excluding working capital loans)	25.34	28.96	31.14	0.00

*Figures are based on IND AS

15.2 Financial Ratios for the last three financial years viz. Fiscal 2016, 2015 and 2014 and for the six months period ended September 30, 2016 are as under:

Particulars	For the six months ended September 30, 2016 (Limited Review)*	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)	For the year ended March 31, 2014 (Audited)
Earnings per Share ¹ (₹)	5.75	7.49	6.08	8.07
Total Debt ² / Equity Ratio ³	0.25	0.36	0.38	0.54
Book Value (₹ per Share) ⁴	73.77	65.64	59.12	54.02
Return on Net worth ⁵ (%) ⁶	7.79	11.40	10.28	14.94
Debt/ Net worth (%) ⁷	0.25	0.36	0.38	0.54

*Figures are not annualized and are based on IND AS

Notes:

1. Earnings per Share (₹) = Profit/(Loss) After Tax / No. of Equity Shares outstanding during the year
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.
3. Debt/ Equity Ratio = Total Debt /Net worth
4. Book Value (₹ per share)= Net Worth/ No. of Equity Shares outstanding during the year
5. Net worth= Equity Capital + Reserves & Surplus – Miscellaneous Expenditure & Revaluation Reserves.
6. Return on Net Worth (%)= Profit/ (Loss) After Tax/ Net Worth
7. Debt/ Net Worth= Total Debt/ Net Worth

15.3 The Company shall comply with the SEBI Takeovers Regulations, as may be applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the rules made thereunder.

16 STOCK MARKET DATA

16.1 The Company's Equity Shares are listed on the BSE and NSE.

16.2 The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of the Public Announcement (i.e. January 31, 2017) from August, 2016 to January, 2017 and the corresponding volumes on the BSE and NSE is as follows:

For BSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume traded in the period (No. of Shares)
Preceding 3 years								
April 01, 2015 - March 31, 2016	62.85	October 23, 2015	144,178	30.00	June 29, 2015	8,244	43.68	1,05,22,069
April 01, 2014 - March 31, 2015	67.00	September 08, 2014	2,20,501	28.25	April 07, 2014	6,177	46.75	83,24,579
April 01, 2013 - March 31, 2014	31.90	March 26, 2014	7,986	18.05	August 06, 2013	32,299	25.10	57,53,246
Preceding 6 months								
January 2017	96.40	January 30, 2017	85,645	88.00	January 23, 2017	21,122	92.40	7,07,015
December 2016	96.45	December 13, 2016	1,32,913	82.40	December 05, 2016	8,160	88.45	6,93,309
November 2016	103.00	November 01, 2016	1,90,688	77.50	November 18, 2016	34,853	88.93	12,75,201
October 2016	96.90	October 20, 2016	45,663	80.00	October 03, 2016	1,27,294	90.10	15,75,767
September 2016	89.00	September 01, 2016	45,142	74.20	September 30, 2016	96,267	83.19	12,36,623
August 2016	93.50	August 26, 2016	1,89,234	70.80	August 17, 2016	28,789	80.44	32,76,905

Source: BSE

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

For NSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume of traded in the period (Shares)
Preceding 3 years								
April 01, 2015 - March 31, 2016	62.90	October 23, 2015	3,30,936	31.20	June 29, 2015	12,761	43.68	2,40,45,198
April 01, 2014 - March 31, 2015	69.00	September 08, 2014	7,46,603	28.20	April 04, 2014	18,640	46.74	2,34,59,427
April 01, 2013 - March 31, 2014	31.90	March 24, 2014	96,572	16.00	August 30, 2013	68,402	25.10	87,48,756
Preceding 6 months								
January 2017	96.70	January 30, 2017	4,81,473	88.30	January 23, 2017	1,26,699	92.51	32,24,275
December 2016	96.50	December 13, 2016	5,37,015	81.80	December 07, 2016	68,609	88.54	27,30,904

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume of traded in the period (Shares)
November 2016	103.30	November 01, 2016	5,82,098	75.80	November 24, 2016	1,17,235	88.95	34,33,601
October 2016	97.10	October 20, 2016	2,34,398	79.20	October 03, 2016	87,321	90.41	37,64,849
September 2016	89.40	September 01, 2016	1,28,377	69.50	September 29, 2016	1,85,540	83.25	32,51,432
August 2016	93.50	August 26, 2016	5,12,931	70.50	August 17, 2016	49,395	80.45	76,55,994

Source: NSE

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

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

- (a) As on December 12, 2016, i.e. the trading day before December 13, 2016, being the date of Board Meeting approving the Buyback was ₹ 91.00 per Equity Share on BSE and ₹ 91.10 per Equity Share on NSE.
- (b) As on December 13, 2016, i.e. the date of Board Meeting approving the Buyback was ₹ 90.90 per Equity share on BSE and ₹ 91.40 per Equity share on NSE.
- (c) As on December 14, 2016, i.e. the day immediately after December 13, 2016, being the date of Board Meeting approving the Buyback was ₹ 89.55 per Equity Share on BSE and ₹ 89.65 per Equity Share on NSE.

17 DETAILS OF STATUTORY APPROVALS

- 17.1 The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- 17.2 Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA Regulations, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI.
- 17.3 Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 17.4 As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.
- 17.5 The Buyback has been approved by the Board of Directors in their meeting held on December 13, 2016 and by the Shareholders by special resolution through postal ballot, the results of which were declared on January 30, 2017.

18. DETAILS OF REGISTRAR TO THE BUYBACK OFFER

Eligible Shareholders holding Shares in dematerialized form and Shareholder Brokers (who have submitted bids on behalf of Eligible Shareholders holding shares in physical form) are required to send the Tender Form, TRS, physical share certificate (for physical Shareholders only) and other documents by superscribing the envelope as “GAEL Buyback Offer 2017” to the Registrar to the Buyback Offer either by registered post/courier or hand deliver at their below office, so that the same are received within 2 (two) days from the Buyback Closing Date i.e. Saturday, March 18, 2017.



Link Intime India Private Limited

C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
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Tel No.: +91 (22) 6171 5400

Fax No.: +91 (22) 2596 0329

Email: gael.offer@linkintime.co.in

Website: www.linkintime.co.in

SEBI Registration No.: INR000004058

Validity Period: Permanent Registration

CIN: U67190MH1999PTC118368

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

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

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company proposes to buyback not exceeding 2,36,84,210 (Two Crores Thirty Six Lacs Eighty Four Thousand Two Hundred and Ten) Equity Shares from the Eligible Shareholders of the Company, on a proportionate basis, through the Tender Offer process at a price of ₹ 95 (Rupees Ninety Five Only) per Equity Share, payable in cash for an aggregate consideration not exceeding ₹ 225,00,00,000 (Rupees Two Hundred and Twenty Five Crores Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. The maximum number of Equity Shares proposed to be bought back represents 17.12% of the total number of Equity Shares in the paid-up share capital of the Company as on March 31, 2016. The Buyback is in accordance with the provisions of Article 16 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc. The Buyback Offer Size is 24.77% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016 (the last audited standalone financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the statutory limits of 25% of the aggregate of fully paid up share capital and free reserves as per the audited accounts of the Company for the Financial Year ended March 31, 2016.

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

- 19.2 The aggregate shareholding of the Promoters as on the Record Date (i.e. February 10, 2017) is 9,95,64,393 Equity Shares, which represents 71.96% (Seventy One Decimal Nine Six Percent) of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer process, the Promoters of the Company have the option to participate in the Buyback. In this regard, the following Promoters have informed vide their individual letters each dated December 13,

2016 regarding their intention for non-participation in the Buyback:

S. No.	Name of the Promoter
1	Shri Manish Gupta
2	Smt. Sulochana Gupta
3	Smt. Shilpa Gupta

Further, the following two Promoters of the Company have expressed their intention, vide their individual letters each dated December 13, 2016, to participate in the Buyback and tender the number of equity shares as set out against their respective names herein below.

S. No.	Name of the Promoter	Number of Shares proposed to be tendered
1.	Shri Vijaykumar Gupta	2,25,00,000
2.	Shri Mohit Gupta	2,24,47,442

19.3 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement, the Promoter shareholding as a percentage to the post buyback share capital will remain same as the Promoter shareholding as a percentage to the pre buyback share capital i.e. 71.96%.

19.4 Record Date, Ratio of Buyback and entitlement of each Shareholder

- a) The Buyback Committee in its meeting held on January 31, 2017 announced Friday, February 10, 2017 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.
- b) The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
 - Reserved category for Small Shareholders (“**Reserved Category**”); and
 - General category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)
- c) As defined in the Buyback Regulations, a “**Small Shareholder**” is a shareholder who holds Equity Shares having market value, on the basis of closing price on the Stock Exchanges in which the highest trading volume as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lacs). As on Record Date, the volume of Shares traded on NSE was 2,23,832 Shares and on BSE was 83,496 Shares. Accordingly, NSE being the stock exchange with highest turnover, the closing price was ₹ 112.40 and hence all Shareholders holding not more than 1,779 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback Offer.
- d) Based on the above definition, there are 49,568 Small Shareholders with aggregate shareholding of 2,20,80,982 Shares, as on Record Date, which constitutes 15.96% of the outstanding paid up equity share capital of the Company and 93.23% of the number of 2,36,84,210 Equity Shares which are proposed to be bought back as part of this Buyback Offer.
- e) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders will be 37,80,004 Equity Shares which is higher of:
 - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 2,36,84,210 Equity Shares which works out to 35,52,632 Equity Shares; or
 - ii. The number of Equity Shares entitled as per their shareholding as on Record Date i.e. Friday, February 10, 2017 which works out to 37,80,004 Equity Shares.

All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders since the Promoters also intend to offer Equity Shares held by them in the Buyback.

- f) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 37,80,004 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 1,99,04,206 Equity Shares.

- g) Based on the above entitlements, the Ratio of Buyback for both categories is decided as below:

Category	Ratio of Buyback
Reserved Category	82 Equity Shares out of every 479 fully paid-up Equity Shares held on the Record Date
General Category	82 Equity Shares out of every 479 fully paid-up Equity Shares held on the Record Date

19.5 Fractional Entitlements

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold 5 or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Shareholders to the extent possible and permissible.

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

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

- a) Full acceptance (i.e. 100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.6 (a) above, in case, there are any Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c) Post the acceptance as described in paragraph 19.6 (a) and (b) above, in case, there are any validly tendered unaccepted Shares in the Reserved Category (“**Reserved Category Additional Shares**”) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.6 (b) above, shall be reduced by one.
- d) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6 (c) above, will be made as follows:
 - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.7 **Basis of Acceptance of Equity Shares validly tendered in the General Category**

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

- a) Full Acceptance (i.e. 100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.7 (a) above, in case, there are any validly tendered unaccepted Shares in the General Category (“**General Category Additional Shares**”) and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholders divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.
- c) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.7 (b) above, will be made as follows:
 - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.8 **Basis of Acceptance of Shares between Categories**

- a) After acceptances of tenders, as mentioned in 19.6 and 19.7 above, in case, there are any Shares left to be bought back in one category (“**Partially filled Category**”), and there are additional unaccepted validly tendered Shares (“**Further Additional Shares**”) in the second Category (“**Over Tendered Category**”), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid Acceptances per Shareholder shall be equal to the Further Additional Shares validly tendered by an Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially filled Category.
- b) If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.8 (a) above out of the Shares left to be bought back in the Partially Filled Category, provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.
- c) Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8 (a) above:
 - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

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

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

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

20 PROCEDURE FOR TENDER OFFER AND SETTLEMENT

- 20.1 The Buyback is open to all Eligible Shareholder(s) holding Shares either in physical and /or dematerialized form on the Record Date.
- 20.2 The Company proposes to effect the Buyback through Tender Offer process, on a proportionate basis. This Letter of Offer and Tender Form, outlining the terms of the Buyback Offer as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed 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.
- 20.3 The Company will not accept any Equity Shares offered for Buyback 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.
- 20.4 The Company shall comply with Regulation 19(5) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.
- 20.5 Eligible Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also tender a part of their Buyback Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (*Process and Methodology for the Buyback*) of this Letter of Offer.
- 20.6 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- 20.7 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar, and the such tendered shares may be accepted subject to appropriate verification and validation by the Registrar.
- 20.8 As elaborated under paragraph 19.4 (b) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders, and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.9 After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
- 20.10 The Buyback shall be implemented by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, as may be amended from time to time and following the procedure prescribed in the notice issued by BSE bearing number 20170202-34 dated February 02, 2017, Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board (including the Committee authorized to complete the formalities of

the Buyback) and on such terms and conditions as may be permitted by law from time to time.

- 20.11 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.
- 20.12 For implementation of the Buyback, the Company has appointed Ambit Capital Private Limited as the registered broker to the Company (the “**Company's Broker**”) 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 - 400013

CIN: U74140MH1997PTC107598

Contact Person: Mr. Ajay Rao

Tel: +91 (22) 3043 3000;

Fax: +91 (22) 3043 3100;

E-mail: ajay.rao@ambit.co

Website: www.ambit.co

SEBI Registration Number: INB011247633 (BSE) and INB/INF/NSE231247637 (NSE)

- 20.13 The Company will request BSE to provide the separate Acquisition Window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Shareholder Broker**”).

In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company’s Broker to bid by using quick UCC facility.

- 20.13.1 The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

(a) In case of Eligible Shareholder being an individual or HUF

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

A. Forms required:

- Central Know Your Client (CKYC) form
- Know Your Client (KYC) form

B. Documents required (all documents self-attested):

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

(ii) If Eligible Shareholder is not registered with KRA:

A. Forms required:

- CKYC form
- KRA form
- KYC form

B. Documents required (all documents self-attested):

- PAN card copy

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

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

(b) In case of Eligible Shareholder other than Individual and HUF:

(i) If Eligible Shareholder is KRA registered:

A. Form required:

- KYC form

B. Documents required (all documents certified true copy):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

(ii) If Eligible Shareholder is not KRA registered:

A. Forms required:

- KRA form
- KYC form

B. Documents required (all documents certified true copy):

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

Additionally, registered Equity Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in paragraph 20.20.

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

- 20.14 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Shareholders.

- 20.15 Shareholder Broker can enter orders for demat Shares as well as physical Shares.
- 20.16 Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Eligible Shareholder for selling the Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- 20.17 The cumulative quantity tendered shall be made available on BSE website- www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.18 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

20.19 Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form

- 20.19.1 The Eligible Shareholder is required to transfer the Equity Shares under the Buyback Offer to Clearing Corporation, by using the settlement number through the early pay-in mechanism of Depositories. This shall be validated by the Shareholder Broker at the time of order/bid entry. The details of the settlement number for the Buyback will be provided in a separate circular which shall be issued at the time of issue opening by Clearing Corporation.
- 20.19.2 For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than 6.00 p.m. on the last day of the Tendering Period i.e. date of closing of the Buyback Offer. 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.
- 20.19.3 Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, Number of Equity Shares tendered etc.
- 20.19.4 Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer) not later than 2 (two) days from the Buyback Closing Date i.e. Saturday, March 18, 2017 (by 5:00 p.m.). The envelope should be superscribed as "GAEL Buyback Offer 2017". In case of non-receipt of the completed Tender Form and other documents, but receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Shareholders.
- 20.19.5 The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance.

Excess demat Equity Shares or unaccepted demat 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 depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant.

- 20.19.6 Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
- i. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
 - ii. Duly attested death certificate and succession certificate/ legal heirship certificate, in case any

Eligible Shareholder has expired; and

- iii. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

20.20 Procedure to be followed by registered Eligible Shareholders holding Equity Shares in the Physical form

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

- a) The Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares.
- b) Original share certificates
- c) Valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company.
- d) Self-attested copy of the PAN Card(s) of all Shareholders.
- e) Any other relevant documents such as (but not limited to):
 - i. Duly attested Power of Attorney if any person other than the Eligible Shareholder has signed the relevant Tender Form
 - ii. Notarized copy of death certificate and legal heirship certificate / succession certificate or probated will, if the original Shareholder has deceased
 - iii. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
- f) 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 *inter alia* consisting of any of the following documents: valid utility bill not older than two months, Aadhar Card, Voter Identity Card or Passport.

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

20.20.3 Eligible Shareholder/ Shareholder Broker is required to deliver Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in paragraph hereinabove) either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer not later than 2 (two) days from the Buyback Closing Date i.e. Saturday, March 18, 2017 (by 5:00 p.m.). The envelope should be superscribed as “**GAEL Buyback Offer 2017**”. One copy of the TRS will be retained by Registrar to the Buyback Offer and it will provide acknowledgement of the same to the Shareholder Broker.

20.20.4 Eligible Shareholders holding physical shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard.

20.20.5 Registrar to the Buyback Offer will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as ‘unconfirmed physical bids’. Once Registrar to the Buyback Offer confirms the bids, they will be treated as ‘Confirmed Bids’.

20.21 Additional requirements in respect of tenders by Non-resident shareholders

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

In case the Non-Resident shareholder is not in a position to produce supporting documents towards enabling repatriation, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Shares accepted under the Offer

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

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

20.23 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Shareholder, shall not invalidate the Buyback Offer in any way. Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Tender Form downloaded from SEBI website (www.sebi.gov.in) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback Offer. 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.

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

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

20.26 **In case of non-receipt of the Letter of Offer / Tender Form:**

- a) **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. www.ambujagroup.com or send an application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.
- b) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buyback Offer by providing an application in writing on a plain paper signed by all Eligible

Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback Offer and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Shareholders' PAN card(s), executed share transfer form in favor of the Company and other necessary documents. The transfer form SH-4 can be downloaded from the Company's website i.e. www.ambujagroup.com. Shareholders/ Shareholder Broker must ensure that the Tender Form, along with TRS and the requisite documents, reach the Registrar to the Buyback Offer not later than 2 (two) days from the Buyback Closing Date i.e. Saturday, March 18, 2017 (by 5:00 p.m.). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback Offer.

Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.

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

20.27 Acceptance of orders

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

20.28 Method of Settlement

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

- a. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- b. The Company will pay the consideration to the Company's Broker on or before the pay-in date for Settlement, who in turn will make the funds pay-in in the settlement account of ICCL, as per the settlement schedule announced by ICCL.
- c. For Demat Equity Shares accepted under the Buyback, the Eligible Shareholder will receive funds payout in their settlement bank account from 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 pay out mechanism. If Equity Shareholders' bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Equity Shareholders will be transferred to the Shareholder Broker for onward transfer to the Equity Shareholder.
- d. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder Broker's settlement accounts for releasing the same to their respective Shareholder's account onward. For this purpose, the client type details would be collected from the Registrar to Buyback.
- e. In case of deals confirmed by custodian settlement will be released to custodies settlement account.
- f. The Equity Shares bought back in the demat form would be transferred directly to the escrow demat account of the Company (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE.
- g. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation as part of the exchange payout process, not later than Monday, March 27, 2017. In case of custodian participant orders, excess

demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant.

- h. Equity shares in Physical form, to the extent tendered but not accepted, will be returned back to the concerned Shareholders directly by Registrar to the Buyback Offer. The Company will issue a new single share certificate for all the unaccepted and excess physical shares and return the same to the sole/first Shareholder (in case of joint Shareholders). Share certificates in respect of unaccepted and excess/ rejected Shares and other documents, if any, will be sent by Registered Post / Speed Post at the Shareholders' sole risk to the sole/first Shareholder (in case of joint Shareholders), at the address recorded with the Company, not later than Monday, March 27, 2017 .
- i. Clearing Corporation would settle the trades by making direct funds payout to the Equity Shareholders and the Shareholder Broker would issue contract note. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- j. Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Manager and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.
- k. The Equity Shares lying to the credit of the 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 and Companies Act, 2013.

20.29 Special Account opened with the Clearing Corporation

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

20.30 Rejection Criteria

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

For Eligible Shareholders holding shares in the dematerialized form if:

- a. the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or
- b. if there is a name mismatch in the dematerialised account of the Shareholder.

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

- a. The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Saturday, March 18, 2017 (by 5:00 p.m.);
- b. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c. If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d. If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e. In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

21 NOTE ON TAXATION

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

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

FURTHER, IN VIEW OF THE PARTICULARISED 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 THE TAX CONSIDERATIONS GIVEN HEREUNDER. THEREFORE, ELIGIBLE SHAREHOLDERS SHOULD NOT RELY ON THE SAME AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE. GIVEN BELOW IS A BROAD SUMMARIZATION OF THE APPLICABLE SECTIONS OF THE INCOME TAX ACT, 1961, RELATING TO TREATMENT OF INCOME-TAX IN CASE OF BUYBACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE, WHICH IS PROVIDED ONLY AS GUIDANCE.

21.1 GENERAL

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 following March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (the “**Income Tax Act**”/“**Act**”).

- a. A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the “situs” of such shares. As per judicial precedents, generally the “situs” of the shares is where Company is “incorporated” and where its shares can be transferred. Accordingly, since Gujarat Ambuja Exports Ltd. (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 would be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- b. The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of equity shares listed on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

21.2 CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

- a. **Resident Shareholders being:**
 - Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
 - Others

- b. Non-Resident Shareholders being:**
- Non Resident Indians (NRIs)
 - Foreign Institutional Investors (FIIs)
 - Others
 - Company
 - Other than Company

21.3 CLASSIFICATION OF INCOME

Based on the provisions of the Income Tax Act, income in the hands of the shareholders can be classified under the following categories:

- a. Shares held as investment (Income from transfer of shares taxable under the head “Capital Gains”)**
- b. Shares held as stock-in-trade (Income from transfer of shares taxable under the head “Profits and Gains of Business or Profession”, hereinafter referred to as “business income”)**

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterisation of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements as to whether gains from transactions in securities should be taxed as “business income” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Recently, the apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months and if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by the Tax Officer.

Further, investments by Foreign Institutional Investor in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as capital asset and the transfer of such shares would be treated as “capital gains” under the provisions of the Income Tax Act.

21.4 SHARES HELD AS INVESTMENT

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on buyback of shares are governed by the provisions of section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per computation provisions contained in section 48 of the Income Tax Act.

21.4.1 Period of holding

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

- In respect of listed equity shares held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a ‘short term capital asset’, and the gains arising therefrom shall be taxable as ‘short term capital gains (“STCG”); and
- Similarly, where listed equity shares are held for a period more than 12 months prior to the date of transfer, the same shall be treated as a ‘long term capital asset’, and the gains arising therefrom shall be taxable as ‘long term capital gains’ (“LTCG”).

21.4.2 Taxability on buyback of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buyback) is entered into through a recognized

stock exchange and such transaction is chargeable to Securities Transaction Tax (STT), the taxability is as under (for all categories of shareholders):

- LTCG arising from such transaction would be exempt under section 10(38) of the Act; and
- STCG arising from such transaction would be subject to tax @15% under section 111A of the Act.

Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG.

Further in case of domestic companies as defined under the Income Tax Act, the tax provisions of minimum alternate tax on book profits as provided u/s. 115JB of the Income Tax Act need to be considered depending on their income and losses etc. for the year.

Non-resident shareholders can avail beneficial provisions of the applicable double taxation avoidance agreement (“DTAA”), if any, entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

As an overall point, since the Buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax (“STT”). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security transacted.

21.5 SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains of Business or Profession”. In such a case, the provisions of section 46A and section 48 of the Income Tax Act will not apply.

21.5.1 Resident Shareholders

- a. For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- b. For persons other than stated in a) above, profits would be taxable @ 30% or other applicable tax rate.

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

21.5.2 Non Resident Shareholders

- a. Non-resident shareholders can avail beneficial provisions of the applicable double taxation avoidance agreement (“DTAA”), if any, entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act;
- b. Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
 - For foreign companies, profits would be taxed in India @ 40%.
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

21.6 TAX DEDUCTION AT SOURCE

21.6.1 In case of Resident Shareholders

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

21.6.2 In case of Non-Resident Shareholders

Since the Buyback is through the stock exchange, the responsibility of discharge of the tax due on the

gains (if any) is primarily on the non-resident shareholder. It is therefore important for the non-resident shareholders to appropriately compute such gains (if any) on this transaction and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians / authorized dealers / tax advisors appropriately.

21.7 RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable as under:

21.7.1 Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds INR 10 crores and @ 7% where the total income exceeds INR 1 crore but does not exceed INR 10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds INR 10 crores and @ 2% where the total income exceeds INR 1 crore but does not exceed INR 10 crores.
- In case of other assessee (i.e. other than companies): Surcharge @ 15% (increased to 15% by Finance Act, 2016 applicable from Financial year 2016-17) is leviable where the total income exceeds INR 1 crore.

21.7.2 Cess

Education Cess @ 2% and Secondary and Higher Education Cess @ 1% is leviable in all cases

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete/exhaustive analysis or listing of all potential tax consequences on the disposal of equity shares under the Buyback. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

22 DECLARATION BY THE BOARD OF DIRECTORS

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

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. December 13, 2016. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, in terms of resolution dated February 21, 2017, the Buyback Committee has confirmed on behalf of Board of Directors that:

- i. no defaults have been made or subsisting in the repayment of deposits accepted, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- ii. it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
 - a. immediately following the date of the Board Meeting held on Tuesday, December 13, 2016 and the date of this Letter of Offer, there will be no grounds on which the Company can be found unable to pay its debts;
 - b. as regards the Company's prospects for the year immediately following the date of the Board Meeting and the date of this Letter of Offer, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback and within a period of one year from the date of this Letter of Offer, as the case may be;

- c. in forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be, including prospective and contingent liabilities.

This declaration is made and issued by the Buyback committee (under the authority of the Board of Directors) in terms of the resolution passed at its meeting held on February 21, 2017.

For and on behalf of the Board of Directors of Company

Sd/-

Sd/-

Vijaykumar Gupta
Chairman and Managing Director
DIN: 00028173

Manish Gupta
Managing Director
DIN: 00028196

23 AUDITORS CERTIFICATE

Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the Report dated December 13, 2016 received from M/s. Kantilal Patel & Co., Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote:

Statutory Auditor's Report in respect of proposed buyback of equity shares (the "Buyback") pursuant to requirement of Clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) (the "Buyback Regulations")

To,
The Board of Directors,
Gujarat Ambuja Exports Limited,
"Ambuja Tower", Opp. Sindhu Bhavan,
Sindhu Bhavan Road, Bodakdev,
P.O. Thaltej, Ahmedabad – 380 059

1. This report is issued in accordance with the terms of our Engagement Letter dated December 7, 2016 with Gujarat Ambuja Exports Limited.
2. In connection with the proposal of Gujarat Ambuja Exports Limited ("the Company") to buy back its equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act"), and the Buyback Regulations, in accordance with the Articles of Association of the Company and in terms of the resolution passed by the directors of the Company in their meeting held on December 13, 2016 which is subject to the approval of the shareholders of the Company based on the provisions of the Act, we have been engaged by the Company to perform a reasonable assurance engagement on the Statement of determination of the amount of permissible capital payment ("the Statement").

Board of Directors' Responsibility for the Statement

3. The preparation of the Statement of determination of the amount of permissible capital payment for the Buyback is the responsibility of the Board of Directors of the Company.
4. The Board of Directors are responsible and have made a full inquiry into the affairs and prospects of the Company and has formed an opinion that the Company will not be rendered insolvent within a period of one year from the date of the meeting of the Board of Directors and from the date on which the result of the shareholders' resolution with regard to the Buyback is declared.

Auditor's Responsibility

5. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to obtain reasonable assurance by inquiring into the Company's state of affairs and report on the following:
 - 5.1. Whether the amount of capital payment for the Buyback is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - 5.2. Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Buyback Regulations, on a reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of the meeting of the Board of Directors and from the date on which the result of the shareholders' resolution with regard to the Buyback is declared
6. The financial statements for the year ended March 31, 2016 have been audited by us/ Kantilal Patel & Co., on which an unmodified audit opinion is issued vide the auditor's report dated April 30, 2016. The audit of these financial statements was conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that the auditor's plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the reporting requirement mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting requirement. We have performed the following procedures in relation to the Statement:
 - 9.1. We have inquired into the state of affairs of the Company in relation to its audited financial statements for the year ended March 31, 2016;
 - 9.2. Examined authorization for Buyback from the Articles of Association of the Company;
 - 9.3. Examined that the amount of capital payment for the Buyback as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
 - 9.4. Examined that the ratio of debt owed by the Company, if any, is not more than twice the capital and its free reserve after Buyback;
 - 9.5. Examined that all shares for Buyback are fully paid-up;
 - 9.6. Examined Director's declarations for the purpose of buy back and solvency of the Company;
 - 9.7. Examined resolutions passed in the meetings of the Board of Directors;
 - 9.8. Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination as above, and the information and explanations given to us, in our opinion:
 - 10.1. We have inquired into the state of affairs of the Company with reference to its audited financial statements for the year ended March 31, 2016 on standalone basis as adopted by the Board of Directors of the Company at its meeting held on April 30, 2016 which have been audited by us;

- 10.2. the amount of permissible capital payment towards Buyback of equity shares, as stated in Annexure A, has been properly determined in accordance with Section 68(2) of the Act; and
- 10.3. the Board of Directors, in their meeting held on December 13, 2016, have formed the opinion, as specified in clause (x) of Part A of Schedule II of the Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from December 13, 2016 and from the date on which the result of the shareholders' resolution with regard to the Buyback is declared, we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

11. The certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable them to include it in the Notice of Postal Ballot, public announcement to be made to the Shareholders of the Company, Draft Letter of Offer and Letter of Offer, to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Buyback Regulations or under the Act, the National Securities Depository Limited and the Central Depository Securities (India) Limited and providing to the Manager to the offer and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **KANTILAL PATEL & CO.,**
CHARTERED ACCOUNTANTS
Firm Registration No. 104744W

Sd/-
Jinal A. Patel
Partner
Membership No.: 153599

Date: December 13, 2016
Place: Ahmedabad

Annexure A

Statement of computation of permissible capital payment for the proposed Buyback of Equity Shares of the Company

Computed in accordance with requirement of clause (c) of sub-section (2) to section 68 of the Companies Act, 2013

Particulars	Amount (in INR crores)
Paid up equity share capital and free reserves as at March 31, 2016 based on the audited standalone financial statements of the Company as the year ended March 31, 2016	
Paid up Equity Share Capital	27.67
Free Reserves	
- Surplus in the statement of profit and loss	686.35
- General Reserve	193.30
- Securities premium account	0.89
Total	908.21
Permissible capital payment towards Buyback of equity shares in accordance with Section 68 (2) of the Act (25% of the aggregate of paid up equity capital and free reserves of the Company) ¹	227.05

Date: December 13, 2016

¹ Calculation in respect of Permissible Capital Payment for Buyback of Equity Shares is done on the basis of the standalone audited financial statements for the year ended March 31, 2016

Unquote

24 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Gujarat Ambuja Exports Limited at the Registered Office: “Ambuja Tower”, Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad-380059, Gujarat, India, from 10:00 a.m. to 05.00 p.m. on any day, except Sundays and public holidays (in Gujarat), upto the date of closure of Buyback Offer.

- i. Copy of the Certificate of Incorporation;
- ii. Memorandum and Articles of Association of Gujarat Ambuja Exports Limited;
- iii. Copies of the annual reports of Gujarat Ambuja Exports Limited for the financial years ended March 31, 2016, March 31, 2015 and March 31, 2014 and limited review financials for the six months period ended September 30, 2016;
- iv. Copy of the resolution passed by the Board of Directors at the meeting held on December 13, 2016 approving proposal for Buyback;
- v. Copy of the special resolution of the Shareholders passed by way of postal ballot dated January 30, 2017;
- vi. Copy of Report dated December 13, 2016 received from M/s. Kantilal Patel & Co., Chartered Accountants, the Auditors of the Company, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations;
- vii. 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;
- viii. SEBI Comments vide letter no. SEBI/HO/CFD/DCR1/OW/P/2017/0000003871/1 dated February 20, 2017;
- ix. Copy of Escrow Agreement dated February 04, 2017 amongst Gujarat Ambuja Exports Limited, HDFC Bank Limited and SBI Capital Markets Limited;
- x. Copy of the certificate from M/s. Kantilal Patel & Co, Chartered Accountants, the Statutory Auditors of the Company, dated February 01, 2017 certifying that the Company has adequate funds for the purposes of Buyback;
- xi. Copy of Public Announcement dated January 31, 2017 published in the newspapers on February 01, 2017 regarding Buyback of Equity Shares; and
- xii. Opinion dated February 01, 2017 obtained by the Company on taxation.

25 DETAILS OF COMPLIANCE OFFICER

Ms. Chetna Dharajiya, Company Secretary
Gujarat Ambuja Exports Limited
“Ambuja Tower”, Opp. Sindhu Bhavan, Sindhu Bhavan Road,
Bodakdev, P.O. Thaltej, Ahmedabad-380059, Gujarat, India
Tel: +91 (79) 61556677
Fax: +91 (79) 61556678
E-mail: cs@ambujagroup.com

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. and 05:00 p.m. on all working days except Sunday and Public holidays.

26 DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS

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

If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013, or rules made thereunder, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, 2013.

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

The Registrar of Companies Gujarat, Ahmedabad
ROC Bhawan, Opposite Rupal Park Society,
Behind Ankur Bus Stop, Naranpura, Ahmedabad- 380013

27 DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the shareholders may also contact the Registrar & Transfer Agent on any day except Sunday and Public holidays between 10:00 a.m. and 05:00 p.m. at the following address:



LINK INTIME INDIA PRIVATE LIMITED

C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai- 400 083, Maharashtra, India

Contact Person: Mr. Dinesh Yadav

Tel No.: +91 (22) 6171 5400

Fax No.: +91 (22) 2596 0329

Email: gael.offer@linkintime.co.in

Website: www.linkintime.co.in

SEBI Registration No.: INR000004058

Validity Period: Permanent Registration

CIN: U67190MH1999PTC118368

28 DETAILS OF MANAGER TO THE BUYBACK OFFER



SBI CAPITAL MARKETS LIMITED

202 Maker Tower 'E', Cuffe Parade, Mumbai - 400 005

Contact Person: Mr. Aditya Deshpande/Mr. Ronak Shah

Tel No.: +91 (22) 2217 8300

Fax No.: +91 (22) 2218 8332

E-mail: gael.buyback@sbicaps.com

Website: www.sbicaps.com

SEBI Registration Number: INM000003531

Validity period: Permanent

CIN: U99999MH1986PLC040298

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

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for the information contained in this Letter of Offer and confirms that the information in this Letter of Offer is true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board of Directors by the Buyback Committee through Resolution passed by the Buyback Committee at their meeting held on February 21, 2017.

For and on behalf of the Board of Directors of
Gujarat Ambuja Exports Limited

Sd/-
Vijaykumar Gupta
Chairman and Managing
Director
DIN: 00028173

Sd/-
Manish Gupta
Managing Director
DIN: 00028196

Sd/-
Chetna Dharajiya
Company Secretary

Date: February 21, 2017

Place: Ahmedabad

Enclosures:

- (1) Tender Form for Demat Shareholders
- (2) Tender Form for Physical Shareholders
- (3) Form No. SH-4 – Securities Transfer Form for Physical Shareholders

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