

DRAFT LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is being sent to you as a registered Eligible Shareholder of Automobile Corporation of Goa Limited (**"ACGL"/ the "Company"**) as on the Record Date in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the **"Buy-Back Regulations"**). If you require any clarifications about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buy-Back i.e. Keynote Financial Services Limited or the Registrar to the Buy-Back i.e. TSR Darashaw Consultants Private Limited Please refer to the section on **'Definition of Key Terms'** for the definition of the capitalized terms used herein.



Automobile Corporation of Goa Ltd.

AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office and Correspondence Address: Honda, Sattari, Goa – 403 530

Tele. No. 0832-2383018/ 2383014

Email: sectl@acglgoa.com; **Website:** www.acglgoa.com

Corporate Identification Number (CIN): L35911GA1980PLC000400

Contact Person: Ms. Manisha Naik Shirgaonkar, Company Secretary & Compliance Officer

OFFER FOR BUY-BACK OF NOT EXCEEDING 3,33,000 (THREE LAKHS THIRTY THREE THOUSAND) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH REPRESENTING 5.19% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY FROM ALL THE ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, I.E., SEPTEMBER 20, 2019, AT A PRICE OF ₹600/- (RUPEES SIX HUNDRED ONLY) PER FULLY PAID-UP EQUITY SHARE FOR AN AGGREGATE MAXIMUM CONSIDERATION NOT EXCEEDING ₹19,98,00,000/- (RUPEES NINETEEN CRORES NINETY EIGHT LAKHS ONLY) ("BUY-BACK SIZE") IN CASH, EXCLUDING THE TRANSACTION COST(S) AND ALL APPLICABLE TAXES, ON A PROPORTIONATE BASIS, THROUGH THE TENDER OFFER ROUTE USING THE STOCK EXCHANGE MECHANISM.

- 1 The Buy-Back is in accordance with the provisions contained in Article 67 of the Articles of Association of the Company and provisions of Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014 (to the extent applicable), the Companies (Management and Administration) Rules, 2014, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and other applicable provisions contained in the Buy-Back Regulations, as amended (including any statutory modifications or re-enactments that may be introduced from time to time), and subject to such other applicable approvals, permissions, sanctions and exemptions, as may be necessary, from time to time from statutory and/or regulatory authorities including but not limited to SEBI, the Stock Exchanges and the ROC.
- 2 The Buy-Back Size represents 9.93% of the aggregate of the fully paid-up equity share capital and free reserves as per the last audited financial statements of the Company for the financial year ended March 31, 2019 and is within the limit of 10% (for a Buy-Back under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Companies Act) of the aggregate of the fully paid-up equity share capital and free reserves as per the last audited accounts of the Company for the financial year ended March 31, 2019. The Equity Shares proposed to be bought back represent 5.19% of the total number of Equity Shares in the total paid-up Equity Share capital of the Company.
- 3 The Letter of Offer shall be sent to the Eligible Shareholder(s)/ Beneficial Owner(s) of Equity Shares as on the Record Date i.e; September 20, 2019.

- 4 For details pertaining to the procedure for tendering and settlement, please refer to “*Procedure For Tender Offer And Settlement*” as set out in paragraph 20 on page 34 of this Draft Letter of Offer.
- 5 The Form of Acceptance-cum-Acknowledgement (the “**Tender Form**”) is enclosed together with this Draft Letter of Offer.
- 6 For details of the methodology adopted for the Buy-Back, please refer to the “*Process and Methodology for the Buy-Back*” as set out in paragraph 19 on page 29 of this Draft Letter of Offer. For mode of payment of cash consideration to the Eligible Shareholders, please refer to “*Procedure for Tender Offer and Settlement- Method of Settlement*” as set out in paragraph 20.26 on page 42 of this Draft Letter of Offer.
- 7 A copy of the Public Announcement and this Draft Letter of Offer (including the Tender Form) will be available on the website of Securities and Exchange Board of India at www.sebi.gov.in and the company at www.acglgoa.com.
- 8 Eligible Shareholders are advised to read this draft letter of offer and in particular refer to “Details of the Statutory Approvals” and “Note on Taxation” in paragraph 17 on page 28 and paragraph 21 on page 44, respectively, of this Draft Letter of Offer, before tendering their Equity Shares in the Buy-Back.

BUY-BACK OFFER OPENS ON: [●]

BUY-BACK OFFER CLOSING ON: [●]

LAST DATE AND TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUY-BACK OFFER: [●] DAY, [●], 2019 BY [●] PM IST

MANAGER TO THE BUY BACK

REGISTRAR TO THE BUY BACK

KEYNOTE

KEYNOTE FINANCIAL SERVICES LIMITED
(Formerly Keynote Corporate Services Limited)
 The Ruby, 9th Floor, Senapati Bapat Marg,
 Dadar (West), Mumbai – 400 028
Tel: +91–22– 6826 6000-3; **Fax:** +91–22– 6826 6088
E-mail: mbd@keynoteindia.net
Website: www.keynoteindia.net
Contact Person: Ms. Pooja Sanghvi
SEBI Registration No.: INM 000003606
Validity Period: Permanent Registration
CIN: L67120MH1993PLC072407

 **DARASHAW**
 Total Solutions Repository

TSR DARASHAWCONSULTANTS PRIVATE LIMITED
 6-10 Haji Moosa Patrawala Industrial Estate,
 20 Dr. E Moses Road, Near Famous Studio, Mahalaxmi
 (West), Mumbai – 400 011
Tel: +91–22–6656 8484; **Fax:** +91–22–6656 8494
E-mail: ACGLBuyback2019@tsrdarashaw.com
Website: www.tsrdarashaw.com
Contact Person: Ms. Mary George
SEBI Registration No.: INR 000004009
Validity Period: Permanent Registration
CIN: U74999MH2018PTC307859

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ENCLOSED: TENDER FORM

**1. SCHEDULE OF ACTIVITIES**

Activity	Day and Date
Date of the Board meeting to approve the proposal for Buy-Back of Equity Shares	Wednesday, July 24 2019
Date of the shareholders' approval (declaration of results) for adoption of new sets of articles of association of the company containing the enabling provisions for the Company to Buy-Back its own shares	Friday, September 6, 2019
Date of publication of Public Announcement for the Buy-Back	Wednesday, September 11, 2019
Record Date for determining the Buy-Back Entitlement and the names of Eligible Shareholders	Friday, September 20, 2019
Buy-Back opens on / date of opening of the Buy-Back / Buy-Back Opening Date	[●]
Buy-Back closes on / date of closing of the Buy-Back / Buy-Back Closing Date	[●]
Last date of receipt of completed Tender Forms and other specified documents by the Registrar to the Buy-Back and Transfer Agent	[●]
Last date of verification of Tender Form by Registrar	[●]
Last date of providing Acceptance or non-Acceptance to the Stock Exchange by the Registrar to the Buy-Back	[●]
Last date of settlement of bids on the Stock Exchange	[●]
Last date for return of unaccepted demat Equity Shares by Stock Exchange to Seller Member/Eligible Shareholders	[●]
Last date of extinguishment of Equity Shares	[●]

2. DEFINITION OF KEY TERMS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below.

References to any legislation, Act, regulation, rules, guidelines or policies shall be to such legislation, Act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buy-Back Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Acceptance/Accepted	Acceptance of fully paid-up Equity Shares tendered by Eligible Sellers in the Buy-Back Offer.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by BSE in the form of a separate window in accordance with the SEBI Circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the "SEBI Circulars").



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Date of publication of Public Announcement for the Buy-Back	Wednesday, September 11, 2019
Record Date for determining the Buy-Back Entitlement and the names of Eligible Shareholders	Friday, September 20, 2019
Buy-Back opens on / date of opening of the Buy-Back / Buy-Back Opening Date	[●]
Buy-Back closes on / date of closing of the Buy-Back / Buy-Back Closing Date	[●]
Last date of receipt of completed Tender Forms and other specified documents by the Registrar to the Buy-Back and Transfer Agent	[●]
Last date of verification of Tender Form by Registrar	[●]
Last date of providing Acceptance or non-Acceptance to the Stock Exchange by the Registrar to the Buy-Back	[●]
Last date of settlement of bids on the Stock Exchange	[●]
Last date for return of unaccepted demat Equity Shares by Stock Exchange to Seller Member/Eligible Shareholders	[●]
Last date of extinguishment of Equity Shares	[●]

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This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below.

References to any legislation, Act, regulation, rules, guidelines or policies shall be to such legislation, Act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buy-Back Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Acceptance/Accepted	Acceptance of fully paid-up Equity Shares tendered by Eligible Sellers in the Buy-Back Offer.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by BSE in the form of a separate window in accordance with the SEBI Circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the "SEBI Circulars").



Additional Equity Shares / Additional Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buy-Back Entitlement of such Eligible Shareholder not exceeding the Equity Shares held by such Eligible Shareholder as on the Record Date.
Articles/ AOA	Articles of Association of the Company which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof).
Board/ Board of Directors	Board of Directors of the Company.
Board Meeting	Meeting of the Board of Directors held on Wednesday, July 24, 2019, approving the proposal for the Buy-Back Offer.
BSE	BSE Limited.
Buy-Back / Buy-Back Offer / Offer	Offer by Automobile Corporation of Goa Limited to buy back up to 3,33,000 (Three Lakhs Thirty Three Thousand Only) fully paid-up Equity Shares of face value of ₹10/- (Rupee Ten only) each at a price of ₹600/- (Rupees Six Hundred Only) per Equity Share from the Equity Shareholders of the Company as on the Record Date, by way of Tender Offer through the stock exchange mechanism in terms of the Buy-Back Regulations read with SEBI Circulars, on a proportionate basis.
Buy-Back Closing Date	[●]
Buy-Back Committee / Committee	The Buy-Back Committee of the Board is constituted and authorized for the purposes of the Buy-Back by a resolution passed by the Board at its meeting held on July 24 2019.
Buy-Back Entitlement	The number of Equity Shares that an Equity Shareholder is entitled to tender in the Buy-Back, based on the number of Equity Shares held by that Equity Shareholder, on the Record Date and the ratio of Buy-Back applicable in the category, to which such Equity Shareholder belongs.
Buy-Back Opening Date	[●]
Buy-Back Period	The period between the board resolution dated July 24, 2019 authorizing and approving the Buy-Back of the Equity Shares of the Company and the date on which the payment of consideration to Equity Shareholders who have Accepted the Buy-Back Offer is made (both days inclusive).
Buy-Back Price	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. ₹600/- (Rupees Six Hundred Only) per fully paid up Equity Share, payable in cash.
Buy-Back Size	Number of Equity Shares proposed to be bought back (i.e. 3,33,000 (Three Lakhs Thirty Three Thousand Only) Equity Shares) multiplied by the Buy-Back Price (i.e. ₹ 600/- (Rupees Six Hundred Only) per Equity Share) aggregating to ₹19,98,00,000/- (Rupees Nineteen Crores Ninety Eight Lakhs Only) excluding Transaction Costs, on a proportionate basis, from the Eligible Shareholders by way of a Tender Offer through the stock exchange mechanism in terms of the Buy-Back Regulations read with SEBI Circulars.
CDSL	Central Depository Services (India) Limited.
Clearing Corporation	Clearing Corporation of India Limited



Companies Act / Act	The Companies Act, 2013, with Rules notified therein as amended.
Company	Automobile Corporation of Goa Limited
Company's Broker	Keynote Capitals Limited
Company's Demat Account	The depository account opened by the Company in relation to the Buy-Back.
Depositories	NSDL and CDSL.
Designated Stock Exchange / Stock Exchange	The designated stock exchange for the Buy-Back is BSE.
Director	Director(s) of the Company.
DP	Depository Participant
Draft Letter of Offer / DLOF	This draft letter of offer dated September 18, 2019 filed with SEBI.
DTAA	Double Taxation Avoidance Agreement.
Eligible Seller(s) / Eligible Person(s) / Eligible Shareholders	Person(s) eligible to participate in the Buy-Back Offer and would mean all Equity Shareholders as on the Record Date being Friday, September 20, 2019.
Equity Shares	Fully paid-up equity shares of the Company each having a face value of ₹ 10/- (Rupees Ten only).
Equity Shareholder	Holders of fully paid-up Equity Shares and includes beneficial owners thereof.
Escrow Account	The Escrow Account titled "Automobile Corporation of Goa Limited – Buy-Back – Escrow Account" opened with HDFC Bank Limited in terms of Escrow Agreement.
Escrow Agent	HDFC Bank Limited.
Escrow Agreement	The escrow agreement dated September 7, 2019 entered into between the Company, Escrow Agent and the Manager to the Buy-Back.
Escrow Amount	Equivalent to 25% of the total consideration payable by the Company under the Buy-Back, in accordance with the Regulations 9(xi)(b) of Buy-Back Regulations.
FCNR account	Foreign Currency Non-Resident account.
FEMA	Foreign Exchange Management Act, 1999, as amended.
FII(s)	Foreign Institutional Investor(s); an institution who is registered under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FPI(s)	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
HUF	Hindu Undivided Family.
IT Act/ Income Tax Act	Indian Income Tax Act, 1961, as amended.
Letter of Offer	Letter of Offer dated [●] to be filed with SEBI containing disclosures in relation to the Buy-Back as specified in Schedule III of the Buy-Back Regulations, including comments received from SEBI on the Draft Letter of Offer.
LODR Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
Manager to the Buy-Back	Keynote Financial Services Limited



Non-Resident Shareholders	Includes Non-Resident Indians (NRI), Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI) and erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals.
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited.
OCB	Overseas Corporate Bodies
Promoter and Promoter Group	Promoter and promoter group as have been disclosed under the filings made by the Company under the listing agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Public Announcement	Public announcement dated Monday, September 9, 2019 published on Wednesday, September 11, 2019.
RBI	Reserve Bank of India.
Record Date	The date for the purpose of determining the Buy-Back Entitlement and the names of the Eligible Sellers to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the proposed Buy-Back offer in accordance with the Buy-Back Regulations. The Record Date for the Offer is Friday, September 20, 2019
Registrar to the Buy-Back/RTA	TSR Darashaw Consultants Private Limited.
Registrar of the Companies/ROC	Unless specified otherwise, Registrar of the Companies, Goa Daman and Diu
Rules	Rules notified under Companies Act, 2013.
SEBI	Securities and Exchange Board of India.
SEBI Buy-Back Regulations / Buy-Back Regulations	The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 including any statutory modifications or re- enactments thereof.
SEBI Circulars	SEBI circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Seller Member/ Seller Broker	A Stock broker of an Eligible Seller, through whom the Eligible Seller wants to participate in the Buy-Back.
Shareholders' Approval	Approval vide a special resolution of the shareholders through postal ballot/e-voting to adopt the new set of Articles of Association as per the Companies Act, 2013, containing the enabling provisions for the Company to Buy-Back its own shares, results of which were declaration on Friday, September 06, 2019.
Small Shareholder	Shareholder of a company, who holds shares or other specified securities whose market value, on the basis of closing price of shares or other specified securities, on the recognised stock exchange in which highest trading volume in respect of such



	securities, as on record date is not more than two lakh rupee as defined in regulation 2(i)(n) of the Buy-Back Regulations.
Tender Form	Form of Acceptance–cum–Acknowledgement.
Tender Offer	Method of buy back as defined in Regulation 2(i)(q) of the Buy-Back Regulations.
Tendering Period	Period of 10 (Ten) Working Days from the Buy-Back Opening Date till the Buy-Back Closing Date (both days inclusive).
Transaction Cost	Cost incurred or to be incurred for the Buy-Back viz. brokerage, applicable taxes such as Securities Transaction Tax, Buy-Back Tax, GST, Stamp Duty, filing fees, advisors' fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc.
TRS	Transaction Registration Slip.
Working Day	Working day shall have the meaning ascribed to it under the Buy-Back Regulations

3. DISCLAIMER CLAUSE

3.1 As required, a copy of this Draft Letter of Offer has been submitted to SEBI.

It is to be distinctly understood that submission of this 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 Buy-Back commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buy-Back, Keynote Financial Services Limited, has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and Buy-Back Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Equity Shares in the Buy-Back.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buy-Back 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 Buy-Back, i.e., Keynote Financial Services Limited, has furnished to SEBI a Due Diligence Certificate dated September 18, 2019 in accordance with Buy-Back Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buy-Back as part of the due diligence carried out by us in connection with the finalization of the public announcement dated September 9, 2019 (the “**Public Announcement**”) and the Draft Letter of Offer dated September 18 2019 (“**DLOF**”). On the basis of such examination and the discussions with the Company, we hereby state that:

- i. The Public Announcement and the DLOF are in conformity with the documents, materials and papers relevant to the Buy-Back;
- ii. All the legal requirements connected with the said offer including the SEBI (Buy-Back of Securities) Regulations, 2018 (“**Buy-Back Regulations**”) have been duly complied with;



- iii. The disclosures in the Public Announcement and the DLOF are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well-informed decision in respect of the captioned Buy-Back;
- iv. Funds used for Buy-Back shall be as per the provisions of the Companies Act, as amended”

The filing of offer document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buy-Back.

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

The Promoters / Directors of the Company also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buy-Back

3.2 Disclaimer for Equity Shareholders in the United States of America:

The Buy-Back is being made for securities of an Indian company and is subject to the laws of India. It is important for Equity Shareholders in the United States of America to be aware that this Draft Letter of Offer is subject to tender offer laws and regulations in India that are different from those in the United States of America and has been prepared in accordance with Indian law, format and style, which differs from customary U.S. format and style. This Draft Letter of Offer does not in any way constitute an offer to buy, 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 authorised or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in the Letter of Offer are requested to inform themselves about and to observe any such restrictions.

3.3 Important Notice to all Shareholders

This Draft Letter of Offer has been prepared for the purposes of compliance with the Buy-Back Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buy-Back are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer.

This Draft Letter of Offer and the Letter of Offer does not and will 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 authorised or to any person to whom it is unlawful to make such offer or solicitation. The Letter of Offer shall be dispatched to all Eligible Shareholders (Equity Shareholders as on the Record Date) either through email or physically. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including,



but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buy-Back shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buy-Back.

3.4 Forward Looking Statement

This Draft Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'believe', 'expect', 'estimate', 'intend', 'plan', 'will', or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Actual results may differ materially from those in such forward-looking statements. The Company and the Manager to the Buy-Back undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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

The Buy-Back through Tender Offer was considered and approved by the Board of Directors of the Company at its meeting held on Wednesday, July 24, 2019. The extract of the Board resolution is as follows:

Resolution: "Subject to the approval of the shareholders through postal ballot to adopt the new set of Articles of Association as per the Companies Act, 2013, which will contain enabling provisions for the Company to buy back its own shares, the Board of Directors (the "**Board**") of Automobile Corporation of Goa Limited (the "**Company**") at its meeting held today, approved the Buy-Back by the Company of its fully paid-up equity shares of Rs. 10 each, not exceeding 3,33,000 equity shares (representing 5.19% of the total number of equity shares in the paid-up equity share capital of the Company) at a price of ₹ 600 (Rupees six hundred only) per equity share (the "**Buy-Back Offer Price**") payable in cash for an aggregate consideration not exceeding ₹ 19,98,00,000/- (Rupees Nineteen Crore Ninety Eight Lakhs) excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, Buy-Back tax, GST, Stamp duty, or any other tax & levies as may be imposed by any governmental authorities, filing fees, advisors fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc. (the "**Buy-Back Offer Size**"), being 9.93% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2019 which is within the statutory limits of 10% (ten percent) of the aggregate of the fully paid-up equity share capital and free reserves and is within the authority of the Board of Directors to undertake the Buy-Back 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 Companies Act, 2013 and the SEBI Buy-Back Regulations, 2018 (hereinafter referred to as the "**Buy-Back**").

RESOLVED FURTHER THAT in terms of Regulation 4 of the Buy-Back Regulations, the Buy-Back shall be made out of the Company's free reserves and/ or such other sources as may be



permitted by law through the Tender Offer route in such manner as may be prescribed under the Companies Act and the Buy-Back Regulations, and on such terms and conditions as the Board may deem fit in its absolute discretion.

RESOLVED FURTHER THAT in terms of Regulation 6 of the Buy-Back Regulations, the Company may Buy-Back its Equity Shares from the existing equity shareholders/beneficial owners of the Equity Shares of the Company as on Record Date ("Eligible Shareholders"), on a proportionate basis provided that 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buy-back or number of Equity Shares entitled as per the shareholding of small shareholders, as defined in the Buy-Back Regulations ("**Small Shareholders**"), as of the Record Date, whichever is higher, shall be reserved for the Small Shareholders.

RESOLVED FURTHER THAT the Company shall implement the Buy-Back using the "Mechanism for acquisition of shares through Stock Exchange pursuant to tender offer under Buy-Back" notified by SEBI vide circular bearing CIR/CFD/ POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereof.

RESOLVED FURTHER THAT the company hereby designates BSE Limited as the designed stock exchange to provide a separate acquisition window ("**Acquisition Window**") to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-Back.

RESOLVED FURTHER THAT the Buy-Back from the Eligible Shareholders who are residents outside India including foreign corporate bodies, foreign institutional investors / foreign portfolio investors, nonresident Indians, shareholders of foreign nationality, if any, shall be subject to Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any, Income Tax Act, 1961 and rules and regulations framed there under and also subject to such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended and rules and regulations framed there under, if any.

RESOLVED FURTHER THAT nothing contained herein above shall confer any right on any shareholder to offer, or confer any obligation on the part of the Company or the Board to Buy-Back any shares and/or impair any power of the Company or the Board to terminate any process in relation to such Buy-Back, if so permissible by law.

RESOLVED FURTHER THAT for the purpose of giving effect to the proposed Buy-Back, a Committee of the Board of Directors of the Company or the designated executives of the Company and/or combination thereof, to be called as "Buy-Back Committee", be and is hereby constituted comprising of Mr. Yatin Kakodkar (Independent Director), Mr. O V Ajay (Chief Executive Officer & Executive Director) and Mr. Raghwendra Singh Butola (Chief Financial Officer).

RESOLVED FURTHER THAT the said Buy-Back Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, as the Buy-Back Committee may consider to be in the best interests of the shareholders, for the implementation of the Buy-Back including but not limited to:



- a) Appointment, of merchant banker, broker, registrar, advertising agency, escrow bank, compliance officer and other legal advisor, consultants or representatives, depository, finalize their remuneration and enter into such agreements/engagement letters in respect thereof;
- b) Finalizing the terms of Buy-Back such as the mechanism for the Buy-Back, Record date, Cut off dates, entitlement ratio, the schedule of activities for Buy-Back including finalizing the date of opening and closing of Buy-Back, the timeframe for completion of the Buy-Back;
- c) To enter into escrow arrangements as may be required in terms of the Buy-Back Regulations;
- d) 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;
- e) Preparation, signing and filing of public announcement, the draft letter of offer/ letter of offer and any other material in relation with the Buy-Back with the SEBI, ROC, the Stock Exchanges and other Appropriate Authority;
- f) Making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- g) Extinguishment of dematerialized shares and filing of certificate of extinguishment required to be filed in connection with the Buy-Back on behalf of the Company and/ or the Board, as required under applicable law;
- h) Appoint any intermediaries / agencies / persons as may be required for the purposes of the Buy-Back 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;
- i) To affix the Common Seal of the Company on relevant documents required to be executed for the Buy-Back of shares in accordance with the provisions of the Articles of Association of the Company.
- j) Sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buy-Back, 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 Buy-Back to the SEBI, RBI, ROC, Stock Exchanges, depositories and/or other Appropriate Authorities.
- k) Obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- l) Dealing with stock 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 Buy-Back using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.
- m) To delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company.
- n) 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 Buy-Back.
- o) 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 Buy-Back.



RESOLVED FURTHER THAT the Buy-Back Committee be and is hereby authorised to delegate all or any of the authorities conferred upon it to any officer(s)/ authorized signatory(ies) of the Company.

RESOLVED FURTHER THAT in compliance with Regulation 24(3) of the SEBI Buy-Back Regulations, Ms Manisha Naik Shirgaonkar, the Company Secretary be and is hereby appointed as the Compliance Officer for the Buy-Back.

RESOLVED FURTHER THAT as required under the provision to Section 68(6) of the Companies Act and Regulation 8(i)(b) of the Buy-Back Regulations the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and that CEO & Executive Director jointly with Mr. Shrinivas Dempo or Mr. Yatin Kakodkar be and are hereby authorized to finalize and sign the same, for and on behalf of the Board and the Company Secretary be and is hereby authorized to file the same with the ROC and the SEBI.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or Buy-Back Committee be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buy-Back, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buy-Back without seeking any consent or approval of the shareholders.

RESOLVED FURTHER THAT the draft notice for postal ballot and the accompanying explanatory statement along with the draft of proposed articles of association be and are hereby approved and the CEO & Executive Director and the Company Secretary be and are hereby severally authorized to finalize the notice for postal ballot, the accompanying explanatory statement in connection with the obtaining approval of the Shareholders by a special resolution and carry out all incidental activities towards adoption of the new set of Articles of Association as per the Companies Act, 2013, which will contain enabling provisions for the Company to buy back its own shares.

RESOLVED FURTHER THAT, Mr. Shivaram Bhat, Practicing Company Secretary (Membership No. A10454) be and is hereby appointed to act as the scrutinizer for conducting the aforesaid Postal Ballot process through NSDL's e-voting platform.

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

- All Equity Shares of the Company are fully paid-up and the Company shall not buy-back Equity Shares which are subject to lock-in, during the pendency of the lock-in and the Equity Shares which are non-transferable, until the Equity Shares become transferable;
- The Buy-Back shall not result in delisting of the Equity Shares from the Stock Exchanges;
- The Company is not making an offer of Buy-Back within a period of one year reckoned from the date of closure of the previous Buy-Back period;
- The Company shall not raise further capital for a period of one year from the closure of the Buy-Back, except in discharge of subsisting obligations;
- The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-Back period;



- The Company shall not Buy-Back its Equity Shares or other specified securities from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in implementation of the Buy-Back;
- The Buy-Back Offer Size, does not exceed 10% of the total paid-up capital and free reserves as per the audited standalone financial statement as on March 31, 2019;
- The maximum number of Equity Shares proposed to be purchased under the Buy-Back, does not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital of the Company as on date of this meeting;
- The Buy-Back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;
- There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;
- The Company shall not utilize any money borrowed from banks or financial institutions for the purpose of buying back its Equity Shares;
- The Company shall not directly or indirectly purchase its own Equity Shares:
 - (a) through any subsidiary company including its own subsidiary companies; or
 - (b) through any investment company or group of investment companies;
- The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;
- There are no defaults subsisting in 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;
- The ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-Back is not more than twice the paid-up capital and its free reserves or such other ratio as may be permissible;
- The Company shall transfer from its free reserves to the Capital Redemption Reserve account a sum equal to the nominal value of the Equity Shares purchased through the Buy-Back and details of such transfer shall be disclosed in its subsequent audited balance sheet;
- The Company shall not withdraw the Buy-Back after the public announcement of the offer to Buy-Back is made;
- The Equity Shares bought back by the Company will be extinguished in the manner prescribed under the SEBI Buy-Back Regulations and the Companies Act within 7 (seven) days of the last date of completion of the Buy-Back; and the statements contained in all the relevant documents in relation to the Buy-Back shall be true, material and factual and shall not contain any mis-statements or misleading information.

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

- Immediately following the date of this meeting, there are no grounds on which the Company can be found unable to pay its debts;
- As regards the Company's prospects for the year immediately following the date of this meeting, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and



- That in forming their opinion for the above purpose, the Board has taken into account the liabilities as if the Company is being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities)”.

RESOLVED FURTHER THAT Mr. OV Ajay, CEO & Executive Director and Ms. Manisha Naik Shirgaonkar, the Company Secretary be and are hereby severally authorized to submit the necessary intimations to the Stock Exchanges in relation to this resolution, as may be required under the SEBI LODR Regulations and to do all such acts, deeds, things as may be incidental or ancillary to give effect to this resolution.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

- 5.1. The Public Announcement dated Monday, September 9, 2019, was published on Wednesday, September 11, 2019, in accordance with Regulation 7 of the Buy-Back Regulations, within two Working Days from the date of declaration of result of the Postal Ballot for special resolution on Friday, September 06, 2019 for approving the adoption of new set of Articles of Association as per the Companies Act, 2013, containing the enabling provisions for the Company to Buy-Back its own share.

The Public Announcement, was published in the following newspapers

Publication / Newspaper	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Goa Doot	Marathi	Goa

- 5.2. Copy of Public Announcement is available on the website of the Company at www.acglgoa.com and expected to be available on the SEBI website at www.sebi.gov.in and on the website of Stock Exchange at www.bseindia.com during the period of the Buy-Back.

6. DETAILS OF THE BUY BACK

- 6.1. Subject to the approval of the shareholders through postal ballot to adopt the new set of Articles of Association as per the Companies Act, 2013, which will contain the enabling provisions for Automobile Corporation of Goa Limited (the “**Company**”) to Buy-Back its own shares, the Board of Directors of the Company at its meeting held on Wednesday, July 24, 2019 (“**Board Meeting**”) approved and passed the proposal of Buy-Back up to 3,33,000 (Three Lakhs Thirty Three Thousand) fully-paid-up Equity Shares of face value ₹10/- each, at a price of ₹600/- (Rupees Six Hundred Only) per share for an amount not exceeding ₹ 19,98,00,000/- (Rupees Nineteen Crores Ninety Eight Lakhs Only) excluding Transaction Costs, from the eligible shareholders/ beneficial owners of the equity shares of the Company as on the Record Date, on a proportionate basis through the “Tender Offer”.

The Shareholders of the Company approved the adoption of new set of Articles of Association as per the Companies Act, 2013, containing the enabling provisions for the Company to Buy-Back its own shares by way of a special resolution through the postal ballot process. The results of the Postal Ballot were announced on Friday, September 06, 2019.



- 6.2. The Buy-Back is in accordance with Article 67 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Act, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014, and other applicable provisions contained in the Buy-Back Regulations, as amended (including any statutory modifications or re-enactments that may be introduced from time to time), and subject to such other applicable approvals, permissions, sanctions and exemptions, as may be necessary, from time to time from statutory and/or regulatory authorities including but not limited to SEBI, the Stock Exchange and the ROC.
- 6.3. The Buy-Back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws including Reserve Bank of India ("**RBI**"), Securities and Exchange Board of India ("**SEBI**") and BSE Limited (the "**BSE**").
- 6.4. The Company will adopt the Tender Offer route for the purpose of Buy-Back. The Buy-Back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide the SEBI Circular and Notice Number 20170210-16 dated 10th February 2017 issued by BSE.
- 6.5. The Buy-Back offer size is 9.93% of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2019 (the last audited financial statements available as on the date of the Board Meeting approving the Buy-Back) and is within the statutory limits of 10% of the fully paid-up equity share capital and free reserves as per audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act. Further the Company proposes to Buy-Back up to 3,33,000 (Three Lakhs Thirty Three Thousand) Equity Shares representing 5.19% of the total number of fully paid up Equity Shares of the Company, which is within the 25% limit as per the provisions of the Companies Act.
- 6.6. The funds for the Buy-Back will be met out of internally generated cash resources of the Company. The Company confirms that as required under Section 68(2)(d) of the Companies Act and Regulation 4(ii) of Buy-Back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the fully paid-up share capital and free reserves after the Buy-Back.
- 6.7. In terms of the Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have the option to participate in the Buy-Back. In this regard, the Promoter and Promoter Group Members of the Company have vide their letters dated July 24, 2019 communicated their intention to not participate in the Buy-Back.
- 6.8. The aggregate shareholding of the Promoters and Promoter Group (and directors of the promoter where the promoter is a company), as on the date of the Public Announcement, is as follows:
- 6.8.1 The aggregate shareholding of the Promoter and Promoter Group:

Sr. No.	Name of the Shareholder	Number of Shares	% of Holding
1.	Tata Motors Limited	29,82,214	46.44
2.	EDC Limited	4,05,302	6.31
3.	Tata Motors Finance Limited	48,315	0.75
	Total	34,35,831	53.50



- 6.8.2 None of the Directors of the companies, where the promoter is a company i.e., Tata Motors Limited, EDC Limited and Tata Motor Finance Limited, hold any equity shares in the Company.
- 6.9. Assuming that all the public Shareholders participate upto their entitlement (full Acceptance), then the aggregate shareholding of the Promoters and Promoter Group, post Buy-Back will increase from 53.50% to 56.43% and the aggregate shareholding of the public in the Company shall decrease from 46.50% to 43.57% of the post Buy-Back equity share capital of the Company.
- 6.10. The Promoters/ Promoter Group of the Company will comply with the applicable provisions of the SEBI Takeover Regulations and subsequent amendments thereto, if applicable as per the specified timelines therein.
- 6.11. Post completion of the Buy-Back, the Promoters and Promoter Group undertake to carry out/execute all steps necessary to comply with the minimum public shareholding requirement in accordance with Regulation 38 of the SEBI Listing Regulations read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended, if so required.

7. AUTHORITY FOR THE BUY BACK

- 7.1. The Buy-Back is in accordance with Article 67 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014, including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance with the Buy-Back Regulations as amended (including any statutory modifications or re-enactments that may be introduced from time to time), and subject to such other applicable approvals, permissions, sanctions and exemptions, as may be necessary, from time to time from statutory and/or regulatory authorities including but not limited to SEBI, the Stock Exchange and the ROC.
- 7.2. Subject to the approval of the shareholders through postal ballot to adopt the new set of Articles of Association as per the Companies Act, 2013, which will contain the enabling provisions for the Company to Buy-Back its own shares, the Board of Directors of the Company at its meeting held on Wednesday, July 24, 2019 approved and passed the proposal of Buy-Back up to 3,33,000 (Three Lakhs Thirty Three Thousand) fully-paid-up Equity Shares of face value ₹10/- each, at a price of ₹600/- (Rupees Six Hundred Only) per share for an amount not exceeding ₹ 19,98,00,000/- (Rupees Nineteen Crores Ninety Eight Lakhs Only) excluding Transaction Costs, from the equity shareholders of the Company as on the Record Date, on a proportionate basis through the "Tender Offer".

The Shareholders of the Company approved the adoption of new set of Articles of Association as per the Companies Act, 2013, containing the enabling provisions for the Company to Buy-Back its own shares. The results of the Postal Ballot Meeting were announced on September 06, 2019.

- 7.3. The Buy-Back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws including RBI, SEBI and BSE.



8. NECESSITY OF THE BUY BACK

The Board at its meeting held on Wednesday, July 24, 2019, considered the accumulated free reserves as well as the cash liquidity reflected in the last audited financial statements as on March 31, 2019 and considering these, the Board decided to allocate up to ₹ 19,98,00,000/- (Rupees Nineteen Crore Ninety Eight Lakhs only) excluding the Transaction Costs and applicable taxes for buying back from the shareholders holding Equity Shares of the Company as on the Record Date through this Buy-Back Offer. The Buy-Back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.

After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to Buy-Back the Equity Shares at a price of ₹ 600/- (Rupees Six Hundred only) per Equity Share for an aggregate maximum amount of ₹ 19,98,00,000/- (Rupees Nineteen Crore Ninety Eight Lakhs only). Buy-Back is being undertaken, inter-alia, for the following reasons:

- a) The Buy-Back will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- b) The Buy-Back, which is being implemented through the tender offer route as prescribed under the Buy-Back Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as 'small shareholder' as per Regulation 2(i)(n) of the Buy-Back Regulations;
- c) The Buy-Back may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and
- d) The Buy-Back will help in achieving an optimal capital structure. The Buy-Back gives an option to the shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-Back offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back Offer, without additional investment.

9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUY-BACK ON THE COMPANY

- 9.1. The management believes that the Buy-Back is not likely to cause any material impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is 100% Acceptance of the Equity Shares tendered in the Buy-Back from Eligible Shareholders on a proportionate basis, the funds deployed by the Company towards the Buy-Back would not exceed ₹ 19,98,00,000/- (Rupees Nineteen Crore Ninety Eight Lakhs only) excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, Buy-Back tax, GST, Stamp duty, or any other tax & levies as may be imposed by any governmental authorities, filing fees, advisors fees, public announcement expenses, printing and dispatch expenses and other incidental and related expenses etc.



- 9.2. The Buy-Back is not expected to have any impact on growth opportunities for the Company but is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.
- 9.3. The Buy-Back will not result in change in control or otherwise affect the existing management structure of the Company.
- 9.4. In terms of the Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have the option to participate in the Buy-Back. In this regard, the Promoter and Promoter Group of the Company have expressed their intention vide their letters dated July 24, 2019 to not participate in the Buy-Back.
- 9.5. Consequent to Buy-Back and based on number of shares bought back within each category of shareholders, the shareholding pattern of the company would undergo a change. Please refer to paragraph 13.7 for further details.
- 9.6. Assuming response to the Buy-Back is to the extent of 100% (full Acceptance) from all the Equity Shareholders upto their Buy-Back Entitlement, the aggregate shareholding of the Promoters and Promoter Group in the Company post Buy-Back may increase from the existing holding of 53.50% to 56.43% and the aggregate shareholding of the public may decrease from 46.50% to 43.57% of the post Buy-Back equity share capital of the Company. The actual percentage shareholding could vary depending on overall percentage responses / acceptance.
- 9.7. Consequent to the Buy-Back and based on the number of Equity Shares bought back from the Eligible Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, their 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 Buy-Back
- 9.8. As required under Section 68(2)(d) of the Companies Act read with Regulation 4(ii) of Buy-Back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice its paid-up Equity Share capital and free reserves post completion of the Buy-Back, even if the response to the Buy-Back is to the extent of 100% (full acceptance).
- 9.9. In compliance with Regulation 24 (i) (b) of Buy-Back Regulations, the Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of Buy-Back.
- 9.10. The Company shall not raise further capital for a period of one year from the closure of Buy-Back except in discharge of its subsisting obligations such as conversion of warrants, stock option, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.11. The Promoter and Promoter Group shall not deal in the equity shares of the Company including any inter se transfer of shares amongst the Promoter and Promoter Group for the period between the date of passing of Board resolution i.e Wednesday, July 24, 2019 and the date of closure of Buy-Back in accordance with the Buy-Back Regulations.
- 9.12. The Company is not undertaking the Buy-Back so as to delist its shares from the stock exchange.



9.13. Salient financial parameters pursuant to the Buy-Back based on the audited financial statements as of March 31, 2019 of the Company are as under:

Parameters (based upon audited results for the year ended 31/03/2019)	Pre Buy-Back	Post Buy-Back*
Net Worth (₹ in crores)	201.14	181.16
Return on the Net Worth (%)	10.01	11.12
Earnings Per Share (in ₹)	31.36	33.07
Book Value Per Share (in ₹)	313.23	297.55
Price / Earnings	17.86	16.93
Total Debt /Equity Ratio	-	-

*Assuming full acceptance of Equity shares in the Buy-Back offer in the ratio of Buy-Back

Notes: The key ratios have been computed as below:

- (i) Net Worth = Equity Capital + Reserves & Surplus – Preliminary Expenditure. The post Buy-back numbers are calculated by reducing the net worth by the amount of the Buy-back size (assuming full acceptance), without factoring in any corresponding impact on the profit after tax post Buy-back.
- (ii) Return on Net Worth = Profit after tax + Other Comprehensive Income / Net Worth
- (iii) Earnings per share = Profit after tax (including other comprehensive income) / Average number of shares outstanding for the period.
- (iv) Book Value per share = Net Worth / Number of shares at the end of the period.
- (v) Earnings per share / Book Value, post Buy-Back is computed after reducing proposed Buy-Back shares from average outstanding shares for the year.
- (vi) Price / Earnings = Market value per share / Earnings per share.
- (vii) Market value has been taken as ₹ 559.95 i.e. price on BSE Limited as on March 29, 2019 for both pre and post buy back.
- (viii) Total Debt / Equity Ratio = Total Debt / Net Worth.

10. BASIS OF CALCULATING THE BUY-BACK PRICE

- 10.1. The Buy-Back price is ₹ 600/- (Rupees Six Hundred only) per equity share. The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average market prices of the Equity Shares on BSE, i.e., the stock exchange where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per Equity Share.
- 10.2. The equity shares are being offered for Buy-Back at a premium of -
 - 16.20% over the volume weighted average market price of the Equity Shares on BSE, during the three months preceding July 19, 2019, being the date of intimation to BSE for the Board Meeting to consider the proposal of the Buy-Back ("**Intimation Date**")
 - 26.03 % over the volume weighted average market price of the Equity Shares on BSE for two weeks preceding the Intimation Date
 - 34.95% over the closing price of the Equity Shares on BSE as on the Intimation Date.
- 10.3. The book value per Equity Share of the Company pre-Buy-Back as on March 31, 2019 was ₹313.23 which will decrease to ₹297.55 post Buy-Back Offer assuming full acceptance of the Buy-Back as stated in paragraph 9.13 above.



- 10.4. The earning per Equity Share of the Company pre-Buy-Back as on March 31, 2019, was ₹31.36 which will increase to ₹33.07, post Buy-Back Offer assuming full acceptance of the Buy-Back as stated in paragraph 9.13 above.
- 10.5. The return on net-worth of the Company pre Buy-Back as on March 31, 2019 was 10.01% which will increase to 11.12%, post Buy-Back Offer assuming full acceptance of the Buy-Back as stated in paragraph 9.13 above.

11. SOURCES OF FUNDS FOR THE BUY BACK

- 11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buy-Back would be ₹ 19,98,00,000 /- (Rupees Nineteen Crores Ninety Eight Lakhs only) excluding Transaction Costs.
- 11.2. The funds for the implementation of the proposed Buy-Back will be sourced out of the free reserves of the Company and no funds will be borrowed from banks and financial institutions for the Buy-Back. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buy-Back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement. The Company confirms that as required under Section 68(2) (d) of the Companies Act and Regulation 4(ii) of the Buy-Back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up equity share capital and free reserves after the Buy-Back.
- 11.3. The Company does not intend to raise any debt for the explicit purposes of the Buy-Back. Thus, borrowed funds will not be used for the Buy-Back. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.4. This Buy-Back is not likely to cause any material impact on the earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income.

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

- 12.1. In accordance with Regulation 9(xi) of the Buy-Back Regulations, the Company has appointed HDFC Bank Limited having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 and acting through its branch situated at Lodha – I, Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai - 400 042, as the Escrow Agent for the aforementioned Buy-Back. The Company, the Manager to the Offer and the Escrow Agent have entered into an Escrow Agreement dated September 7, 2019 pursuant to which an Escrow Account in the name and style “**Automobile Corporation of Goa Limited – Buy-Back - Escrow Account**” bearing account no. 57500000413627 has been opened with the Escrow Agent. The Company has deposited an amount of ₹ 4,99,50,000 (Rupees Four Crores Ninety Nine Lakhs Fifty Thousand Only) in the Escrow Account being 25% of the total Buy-Back Size, that is the minimum amount required to be deposited in terms of the Buy-Back Regulations. Keynote Financial Services Limited, being the Manager to the Buy-Back Offer has been empowered to operate the Escrow Account in accordance with the Buy-Back Regulations.



- 12.2. The Company has adequate and firm financial resources to fulfill the obligations under the Buy-Back and the same has been certified vide certificate dated September 9, 2019 issued by Marathe Rao & Swarup - Chartered Accountant, (Partner Name: Mr. Amruth Rao, Firm Registration Number: 131340W, Member No. 123668, Contact no: 9850525895), having his office at RF-3, 1st Floor, Fonseca Arcade, Opp Mamlatdar Office, Tisk, Ponda, Goa – 403 401.
- 12.3. Based on the above, the Manager to the Buy-Back confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buy-Back are in place and that the Company has the ability to implement the Buy-Back in accordance with the Buy-Back Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1. The present capital structure of the Company is as follows:

Sr. No.	Particulars	Pre Buy-Back (₹ in lakhs)
1	Authorized Share Capital:	
	1,00,00,000 Equity Shares of ₹10 each	1,000.00
	15,00,000 Preference Shares of ₹100 each	1,500.00
2	Issued, Subscribed and Paid-up Capital:	
	64,21,622 Equity Shares of ₹10 each fully paid	642.16

- 13.2. Assuming full acceptance in the Buy-Back, the capital structure of the Company post Buy-Back would be as follows:

Sr. No.	Particulars	Pre Buy-Back (₹ in lakhs)
1	Authorized Share Capital:	
	1,00,00,000 Equity Shares of ₹10 each	1,000.00
	15,00,000 Preference Shares of ₹100 each	1,500.00
2	Issued, Subscribed and Paid-up Capital:	
	60,88,622 Equity Shares of ₹10 each fully paid	608.86

- 13.3. The Company has not undertaken any Buy-Back of its Equity Shares in the last one year from the date of the meeting of the Board in which the proposal for this Buy-Back was approved, i.e. Wednesday, July 24, 2019. The Company has not undertaken any Buy-Back in the last three years from the date of filing of this Draft Letter of Offer.
- 13.4. There are no partly paid up equity shares in the Company.
- 13.5. There are no outstanding instruments convertible into equity shares.
- 13.6. There are no amounts under calls in arrears



- 13.7. The shareholding pattern of the Company pre & post Buy-Back as on the date of Board Meeting is as follows:

Category of Shareholder	Pre Buy-Back		Post Buy-Back *	
	Number of equity shares	% to the existing Equity Share	Number of equity shares	% to post Buy-Back
Promoter and Promoter Group	34,35,831	53.50	34,35,831	56.43
Foreign Investors (Including ADRs, Non-Resident Indians, FIIs, FPIs, Foreign Nationals, and Overseas Corporate Bodies)	36,137	0.56	26,52,791	43.57
Financial Institutions/Banks, NBFCs & Mutual Funds	150	0.00		
Others (Public, Bodies Corporate, Clearing Members, Trusts and HUF)	29,49,504	45.94		
Total	64,21,622	100.00	60,88,622	100.00

* Assuming response to the Buy-Back is to the extent of 100% (full acceptance) from all the non-promoter Equity Shareholders of the Equity Shares up to their Buy-Back Entitlement.

- 13.8. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act.
- 13.9. Assuming response to the Buy-Back to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy-Back Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buy-Back may increase to 56.43% from 53.50% prior to the Buy-Back.
- 13.10. The Promoter/ Promoter Group of the Company will comply with the applicable provisions of the SEBI Takeovers Regulations and subsequent amendments thereto, is applicable, as per the specified timelines therein.
- 13.11. No Equity Shares of the Company have been purchased/sold by any Promoter and Promoter Group, the Directors of the Promoter Group Companies and Directors of the Company from a period of 12 (twelve) months preceding the date of the Board meeting i.e. Wednesday, July 24, 2019 at which the Board approved the proposal for Buy-Back till the date of the Public Announcement i.e. Monday, September 9, 2019.
- 13.12. The Company shall not issue any Equity Shares including by way of bonus, from the date of Public Announcement till the closure of the Buy-Back. There are no locked-in Equity Shares.

14. BRIEF INFORMATION OF THE COMPANY

14.1 History of the Company

- Automobile Corporation of Goa Limited ("**ACGL**" / the "**Company**") was incorporated on September 1, 1980 as a public limited Company under the Companies Act 1956. The registered office of the Company is situated at Honda, Sattari, Goa, 403530.



- The Equity Shares of the Company are listed on the BSE since August 2, 1982 (BSE Security Code: 505036)
- The Company has been jointly promoted by the EDC Limited (EDC) and Tata Motors Limited.
- Automobile Corporation of Goa Limited is engaged in the manufacture of pressed parts, components, sub-assemblies for various range of automobiles and manufacture of bus bodies and component parts thereof. It is a major supplier of pressed parts and bus bodies to Tata Motors Limited.
- The Company operates through two segments: Pressing Division and Bus body Building Division. The Pressing Division segment is engaged in the manufacture of pressed parts, components, sub-assemblies and assemblies. The Bus body Building Division segment is engaged in the manufacturing of bus bodies and component parts for bus bodies.
- The Company's products include staff transport application buses, luxury application buses, city application buses, defense application buses, airport application buses, school application buses, sleeper buses, special application vehicles and sheet metal products. The Company manufactures sheet metal components, assemblies and bus coaches at its factories situated at villages Honda and Bhuimpal, Goa.
- The Company has 4 factories located as follows –

Plants	Address	Items Manufactured
Plant 1	Honda Industrial Estate, Honda, Sattari, Goa – 403 530	Bus Bodies and component parts thereof with installed capacity – 5000 Nos p.a.
Plant 2	Bus Body Division, Bhuimpal, Sattari, Goa – 403 530	Bus Bodies and component parts thereof with installed capacity – 5000 Nos p.a.
Plant 3	Jejuri Pressing Unit, F-2, MIDC, Taluka Purandar, District Pune, Maharashtra	Pressed Parts and Sheet Metal components, sub-assemblies and assemblies therefrom with installed capacity – 8500 MT p.a. and Ambulance – 2000 Nos p.a.
Plant 4	Plot No.560-A, Belur Industrial Area Belur, Dharwad, Karnataka	Pressed Parts and components, sub-assemblies and assemblies therefrom with installed capacity – 26,000 MT p.a.

- ACGL had started, in the year 1980 as a manufacturer of pressed sheet metal components and thereafter diversified into the business of manufacturing bus bodies in the year 1989 and 34 buses were produced during the financial year 1989-90. The Company since then has come a long way and has manufactured and sold 5775 bus bodies during the financial year 2018-19. Today the company has modern and evolved designing capabilities by usage of 3D designing technique and is embracing the electric drive in the country by channelizing a part of its development efforts towards building bodies for electric and hybrid buses. The company continues to innovatively focus on enhancing its design and engineering capabilities reflecting comfort and convenience for the end customers.
- On standalone basis, for the financial years ended March 31, 2019, March 31, 2018 and March 31, 2017, the Company recorded a total income ₹ 43,618 lakhs (Rupees Forty Three Thousand Six Hundred and Eighteen Lakhs only), ₹ 50,807 lakhs (Rupees Fifty Thousand Eight Hundred and Seven Lakhs only) (including excise duty and excluding GST) and ₹ 50,839 lakhs (Rupees Fifty Thousand Eight Hundred and Thirty Nine Lakhs only) (including excise duty) respectively, and profit after tax and OCI of ₹ 2,014 lakhs (Rupees Two Thousand and Fourteen Lakhs only), ₹ 2,068 lakhs (Rupees Two Thousand and Sixty Eight Lakhs only) and ₹ 2,096 lakhs (Rupees Two Thousand and Ninety Six Lakhs only) respectively.
- The Company does not have any Subsidiary Company.



14.2 Equity Share Capital History of the Company

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

Date of allotment of shares	Number of shares allotted/ subdivided	Face value (₹)	Issue price/ conversion price (₹)	Nature of consideration	Reasons of allotment	Cumulative number of Equity Shares	Cumulative paid –up equity share capital (₹)
September 25, 1980	7	10	10	Cash	First subscribers to Memorandum	7	70
March 18, 1981	3,99,993	10	10	Cash	First Allotment to Promoters	4,00,000	40,00,000
April 21, 1982	8,00,000	10	10	Cash	Further Allotment to Promoters	12,00,000	1,20,00,000
April 21, 1982	11,50,000	10	10	Cash	Public Issue	23,50,000	2,35,00,000
September 20, 1988	15,93,450	10	25	Cash	Rights Issue	39,43,450	3,94,34,500
May 22, 1989	1,65,275	10	25	Cash	Allotment to EDC and UTI	41,08,725	4,10,87,250
June 17, 1989	23,080	10	25	Cash	Allotment to TML	41,31,805	4,13,18,050
December 15, 1992	8,07,904	10	25	Cash	Conversion of partly convertible debentures	49,39,709	4,93,97,090
May 19, 2007	14,81,913	10	475	Cash	Rights Issue	64,21,622	6,42,16,220

14.3 Board of Directors of the Company

The Details of the Board of Directors of the Company as on date are as follows:

Sr. No.	Name, Qualification, Age and Occupation	Designation	Date of Appointment/ re-appointment at current designation	Other directorship (name of the company & designation).
1.	Mr. Shrinivas V Dempo Qualification: Post Graduate in Commerce, Master's degree in Business Administration from the Carnegie Mellon University (U.S.A.) Age: 50 years Occupation: Industrialist	Independent Director	September 12, 2015	<ul style="list-style-type: none"> Goa Carbon Ltd. – Chairman, Non- Executive Director Hindustan Foods Ltd. - Chairman, Non- Executive Director V S Dempo Holdings Pvt Ltd. - Chairman, Non- Executive Director Dempo Industries Pvt Ltd. - Chairman, Managing Director Dempo Travels Pvt Ltd. – Non-Executive Director V S Dempo Mining Corporation Pvt Ltd. –



Sr. No.	Name, Qualification, Age and Occupation	Designation	Date of Appointment/ re-appointment at current designation	Other directorship (name of the company & designation).
				<ul style="list-style-type: none"> Non-Executive Director Dempo Shipbuilding and Engineering Pvt Ltd. - Non-Executive Director Marmagoa Shipping Stevedoring Co. Pvt. Ltd. – Non-Executive Director Dempo Sports Club Pvt. Ltd. – Non-Executive Director Motown Trading Pvt Ltd. – Non-Executive Director West Coast Hotels Pvt Ltd. – Non-Executive Director Goa Medical Research Pvt Ltd – Additional Director.
2.	Mr. Steven A Pinto Qualification: Economics Honors graduate (B.A.), Masters in Management Studies (MMS) Age: 74 years Occupation: Professional	Independent Director	April 01, 2019	<ul style="list-style-type: none"> Adlabs Entertainment Limited – Independent Director Centrum Retail Services Limited – Independent Director Club 7 Holidays Limited– Independent Director Walkwater Properties Private Limited – Non-Executive Director Catholic Gymkhana Limited – Independent Director
3.	Mr. Yatin Kakodkar Qualification: B Com, MBA, Amos Tuck School of Business, Dartmouth College, USA 1987-1989 Age: 55 years Occupation: Industrialist	Independent Director	December 07, 2016	<ul style="list-style-type: none"> Apex Packing Products Private Limited – Executive Director Kakodkar Agro Retailers Private Limited – Executive Director DBB United Realities and Resorts Private Limited - Non -Executive Director
4.	Dr. (Mrs.) Vaijayanti Pandit Qualification: Ph.D in Management Studies Age: 66 years Occupation: Professional	Independent Women Director	May 10, 2019 (Effective from October 20, 2019)	<ul style="list-style-type: none"> Indo Count Industries Limited- Independent Director Banswara Syntex Limited - Independent Director IG Petrochemicals Limited - Independent Director TML Distribution Company Limited - Independent Director HPCL –Mittal Energy Limited - Independent Director HPCL- Mittal Pipelines Limited- Independent Director Tata Marco polo Motors Limited (TMML) - Independent Director
5.	Mr. Girish Wagh Qualification: Bachelor of Engineering and PG in Manufacturing Management	Non-Executive Director	October 30, 2017	<ul style="list-style-type: none"> Tata Cummins Pvt Ltd- Non- Executive Director Tata Marcopolo Motors Ltd- Non- Executive Director Tata Motors Finance Limited – Non- Executive



Sr. No.	Name, Qualification, Age and Occupation	Designation	Date of Appointment/ re-appointment at current designation	Other directorship (name of the company & designation).
	(SPJIMR). Age: 48 years Occupation: Service			Director • Tata Daewoo Commercial Vehicles Ltd – Non-Executive Director
6.	Mr. Rohit Srivastava Qualification: Bachelor of Engineering Age: 49 years Occupation: Service	Non-Executive Director	April 27, 2018	• Tata Marcopolo Motors Ltd- Non- Executive Director
7.	Mr. Aasif Malbari Qualification: Bachelor of Commerce, Chartered Accountant Company Secretary, Diploma in Business Finance (DBF) Age: 45 years Occupation: Service	Non-Executive Director	July 08, 2019	• NIL
8.	Mr. O V Ajay Qualification: Bachelor of Engineering (Electronics) Age: 56 years Occupation: Service	CEO & Executive Director	January 14, 2018	• NIL

14.4 The details of changes in the Board of Directors

The details of changes in the Board of Directors during the last 3 (Three) years preceding the date of the Public Announcement are as under:-

Name of Director	Nature of Change	Effective Date	Reasons
Mr. Shrivinas V Dempo	Change in Designation	August 1, 2016	Appointment as Independent Non – Executive Director
Mr. Abhijit Aravind Gajendragadkar	Cessation	November 30, 2016	Resignation
Mr. Peter Francis Xavier D'Lima	Cessation	December 07, 2016	Retirement
Mr. Yatin Kakodkar	Appointment	December 07, 2016	Appointment as Additional Director
Mr. Abhay Bawale	Appointment	June 26, 2017	Appointment as Additional Director



Name of Director	Nature of Change	Effective Date	Reasons
Mr. Yatin Kakodkar	Change in Designation	July 27, 2017	Appointment as Independent Non – Executive Director
Mr. Abhay Bawale	Change in Designation	July 27, 2017	Appointment as Non-Executive Director
Mr. Girish Wagh	Appointment	October 30, 2017	Appointment as Additional Director
Mr. Rohit Srivastava	Appointment	April 27, 2018	Appointment as Additional Director
Mr. Ravindra Pisharody	Cessation	July 28, 2018	Resignation
Mr. R. Ramakrishnan	Cessation	July 28, 2018	Resignation
Mr. Girish Wagh	Change in Designation	July 28, 2018	Appointment as Non-Executive Director
Mr. Rohit Srivastava	Change in Designation	July 28, 2018	Appointment as Non-Executive Director
Mr. Abhay Bawale	Cessation	June 27, 2019	Retirement
Mr. Aasif Malbari	Appointment	July 08, 2019	Appointment as Additional Non-Executive Director

The Buy-Back will not result in any benefit to any Director of the Company / Promoters of the Company / Promoter Group / Person in control of the Company except to the extent of change in their shareholding as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share capital post Buy-Back

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1. The salient financial information of the Company as extracted from the audited financial statements for the last three years being March 31, 2019, March 31, 2018 and March 31, 2017 are as under:

(₹ in lakhs)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-17
Total Income	43,617.56	50,806.57	50,838.91
Total Expenses (Excluding Interest and Depreciation & Amortization)	39,484.40	47,106.14	47,008.70
Interest Expense	14.41	38.54	24.96
Depreciation and Amortization	528.61	531.61	561.60
Profit before tax (net of OCI)	3,061.20	3,356.98	3,240.98
Tax Expense (including tax on OCI)	(1,047.52)	(1,289.29)	(1,144.82)
Profit after tax	2,013.68	2,067.69	2,096.16
Equity Share capital	642.16	642.16	642.16
Other equity (free reserves)	19,472.24	18,813.38	18,098.26
Net Worth	20,114.40	19,455.54	18,740.42
Loan funds			
Short term Loans and Advances			
-Advance from Customers	424.14	694.40	293.00



Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-17
-Security Deposits	6.19	6.19	5.69
-Borrowings (Cash Credit)	-	593.29	239.12
Long term Loan and Advances	-	-	-

Key Financial Ratios

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-17
Key Ratios:			
Earnings per share (Basic and diluted)	31.36	32.20	32.64
Book Value per share	313.23	302.97	291.83
Return on Net Worth	10.01%	10.63%	11.19%
Debt Equity Ratio	-	0.03	0.01

Notes:

- Earnings per share = Profit after tax (including other comprehensive income) / Average number of shares outstanding for the period.
- Free reserves are as per sub clause 43 of section 2 and explanation II to Section 68 of the Act and accordingly excludes capital redemption reserve.
- Book Value per share = Net Worth / Number of shares at the end of the period.
- Return on Net Worth = Profit after tax (including other comprehensive income) / Net Worth.
- Debt Equity Ratio = Total Debt / Net Worth.

16. STOCK MARKET DATA

16.1. The Equity Shares are currently listed and traded on BSE.

16.2. The high, low and average market prices in preceding three calendar years and the monthly high, low and average market prices during the six months preceding the date of publication of Public Announcement and the corresponding volumes on BSE being the stock exchange where the shares are traded are as follows:

BSE

Period	High Price (₹)	Date of High Price & Number of shares traded on that date	Low Price (₹)	Date of Low Price & Number of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS						
FY 2018-19	1399.00	13-04-2018 (3,330)	504.00	18-02-2019 (961)	794.05	3,08,935
FY 2017-18	1670.00	29-01-2018 (6,088)	617.00	06-04-2017 (6,689)	895.64	10,83,591



Period	High Price (₹)	Date of High Price & Number of shares traded on that date	Low Price (₹)	Date of Low Price & Number of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
FY 2016-17	752.00	03-11-2016 (8,154)	415.00	04-04-2016 (288)	571.79	8,74,761
PRECEDING 6 MONTHS						
August 2019	495.95	28-08-2019 (387)	449.10	05-08-2019 (1,477)	472.59	11,536
July 2019	498.00	01-07-2019 (256)	441.00	19-07-2019 (1,064)	473.76	18,895
June 2019	558.00	11-06-2019 (1,028)	481.50	25-06-2019 (642)	514.68	17,187
May 2019	568.80	06-05-2019 (593)	490.10	16-05-2019 (602)	521.96	26,603
April 2019	619.00	16-04-2019 (3,043)	549.95	30-04-2019 (3,349)	582.75	20,273
March 2019	647.85	07-03-2019 (4,324)	536.50	01-03-2019 (935)	590.73	66,413

Source: www.bseindia.com

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

- 16.3. As on July 23, 2019 i.e. the trading day immediately before July 24, 2019, being the date of Board Meeting approving the Buy-Back the closing price was ₹461.80 per Equity Share on BSE.

17. DETAILS OF THE STATUTORY APPROVALS

- 17.1. The Buy-Back is subject to approvals, if any, required under the provisions of the Companies Act, the Buy-Back Regulations, and applicable rules and regulations as specified by RBI under FEMA and/or such other applicable rules and regulations for the time being in force. As on date, there are no other statutory or regulatory approvals required to implement the Buy-Back other than those indicated above.
- 17.2. Buy-Back from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. NRIs and erstwhile OCBs must obtain all approvals required to tender the Equity Shares held by them in this Buy-Back (including without limitation the approval from the RBI). It is the obligation of such non-resident shareholders, NRI, OCB shareholders, to obtain such approvals and submit the same along with the Tender Form, so as to enable them to tender Equity Shares in the Buy-Back and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.



- 17.3. By agreeing to participate in the Buy-Back, the non-resident Eligible Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting.
- 17.4. As of date of this Draft Letter of Offer, there is no other statutory or regulatory approval required to implement the Buy-Back Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buy-Back 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 Buy-Back Offer, if any, shall be intimated to the Stock Exchanges

18. DETAILS OF THE REGISTRAR TO THE BUY-BACK AND COLLECTION CENTRES

- 18.1. Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back can send by registered post/speed post or hand deliver the Tender Form, TRS generated by the exchange bidding system along with all the relevant documents by super-scribing the envelope as "Automobile Corporation of Goa Limited - Buy-Back Offer", to the Registrar at its office set out below so that the same are received by [●]:

REGISTRAR TO THE BUY BACK:



Total Solutions Repository

TSR Darashaw Consultants Private Ltd

6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi (West), Mumbai – 400011

Contact Person: Ms. Mary George

Tel. No. : (+91) 22 6656 8484 **Fax No. :** (+91) 22 66568494

Email : ACGLBuy-Back2019@tsrdarashaw.com

Website : www.tsrdarashaw.com

SEBI Regn. No. INR000004009

CIN: U74999MH2018PTC307859

ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM MAY SUBMIT THE TENDER FORM AND THE TRS TO THE REGISTRAR TO THE BUYUBACK OFFER.

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY-BACK OFFER.

19. PROCESS AND METHODOLOGY FOR THE BUY-BACK

- 19.1. The Company proposes to Buy-Back up to 3,33,000 (Three Lakhs Thirty Three Thousand) fully paid-up Equity Shares representing 5.19% of the total number of equity shares in the issued, subscribed and paid-up equity shares of the Company, from the Eligible Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer route at the Buy-Back Price, i.e. ₹600/- (Rupees Six Hundred Only) per Equity Share, payable in cash for an amount not exceeding ₹ 19,98,00,000 /- (Rupees Nineteen Crores Ninety Eight Lakhs only), subject to the approval of the shareholders through postal ballot to adopt the new set of Articles of Association as per the Companies Act, 2013, containing the enabling provisions for the Company to buy-back its own shares, which represents 9.93% of the fully paid-up equity share



capital and free reserves as per audited financial statements of the Company for the financial year ended March 31, 2019 (the last audited financial statement available as on the date of Board Meeting approving the Buy-Back). The Buy-Back size is within the limit of 10% (for a Buy-Back under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Companies Act) of the Company's total paid-up equity share capital and free reserves as per the last audited accounts for the financial year ended March 31, 2019. The Shareholders of the Company approved the adoption of new set of Articles of Association as per the Companies Act, 2013, containing the enabling provisions for the Company to Buy-Back its own shares through the process of Postal Ballot, the results of which were announced on Friday, September 06, 2019. The Buy-Back is in accordance with Article 67 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014, including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance with the Buy-Back Regulations.

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

- 19.2. The aggregate shareholding of the Promoter and Promoter Group as at the date of the Public Announcement is 34,35,831 Equity Shares which represents 53.50% of the paid-up equity share capital of the Company. In terms of the Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have the option to participate in the Buy-Back. In this regard, the Promoter and Promoter Group of the Company, have expressed their intention vide their letters dated July 24, 2019 to not participate in the Buy-Back.
- 19.3. Assuming Acceptance of all Equity Shares tendered in the Buy-Back from the Eligible Shareholders up to their respective Buy-Back Entitlement, the shareholding of the Promoter and Promoter Group after the completion of the Buy-Back may increase from 53.50% to 56.43% of the post-Buy-Back total paid-up equity share capital of the Company.
- 19.4. The Promoter/ Promoter Group of the Company will comply with the applicable provisions of the SEBI Takeover Regulations and subsequent amendments thereto, as per the specified timelines therein.
- 19.5. **Record Date and Ratio of Buy-Back as per the Buy-Back Entitlement in each Category**
 - 19.5.1 The Buy-Back Committee at its Meeting held on Saturday, September 7, 2019 has announced Friday, September 20, 2019 as Record Date for the purpose of determining the Buy-Back Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buy-Back.
 - 19.5.2 The Equity Shares proposed to be bought back by the Company as a part of this Buy-Back are divided into two categories:
 - a) Reserved category for Small Shareholders ("**Reserved Category**"); and
 - b) General Category for all Eligible Sellers/ Shareholders Other than Small Shareholders ("**General Category**").



- 19.5.3 As defined in Regulation 2(i)(n) of the Buy-Back Regulations, a “Small Shareholder” means a Eligible Shareholder who holds Equity Shares whose market value, on the basis of the closing price on the recognized Stock Exchange (in this case BSE) on Record Date i.e., September 20, 2019, is not more than ₹ 200,000 (Rupees Two Lakhs only). As on Record Date, the closing on BSE was ₹[●]([●]). Accordingly, all shareholders holding not more than [●] Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buy-Back Offer.
- 19.5.4 Based on the above definition, there are [●] Small Shareholders, with an aggregate shareholding of [●] Equity Shares, as on the Record Date, which constitutes [●]% of the outstanding paid up equity share capital of the Company and [●]% of the maximum number of Equity Shares which are proposed to be bought back as part of this Buy-Back Offer.
- 19.5.5 In accordance with Regulation 6 of the Buy-Back Regulations, the reservation for the Small Shareholders will be [●] Equity Shares, which is the higher of:
- Fifteen percent of the number of Equity Shares which the Company proposes to buy back, i.e., 15% of 3,33,000 (Three Lakhs Thirty Three Thousand) Equity Shares, which works out to 49,950 Equity Shares; or
 - The number of Equity Shares to which the Small Shareholders are entitled, as per their shareholding as on Record Date, [i.e., $([●] / [●]) \times [●]$], which works out to [●] Equity Shares.

Based on the above Buy-Back Entitlements, the ratio of Buy-Back for both categories is decided as below:

Category of Shareholders	Ratio of Buy-Back
Reserved Category for Small Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date.
General Category for all other Equity Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date.

Note: The above ratio of Buy-Back is approximate and provides an indicative Buy-Back Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off.

19.6 Fractional Entitlements:

- 19.6.1 If the Buy-Back Entitlement under Buy-Back, after applying the above mentioned ratios to the Equity Shares held on Record Date is not a round number (i.e. not in the multiple of 1 Equity Share), then the fractional entitlement shall be ignored for computation of Buy-Back entitlement to tender equity shares in the Buy-Back offer for both categories of Shareholders.
- 19.6.2 On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] 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.

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

19.7.1 Subject to the provisions contained in the Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-Back by the Small Shareholders in the Reserved Category in the following order of priority:

- (a) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buy-Back Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in paragraph 19.7.1 (a), in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buy-Back Entitlement, shall be Accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buy-Back Regulations, i.e. valid Acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be Accepted in Reserved Category.
- (c) Adjustment for fractional result in case of proportionate Acceptance, as described in paragraph 19.7.1 (b) above:
 - i. For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - ii. For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

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

19.8.1 Subject to the provisions contained in the Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-Back by all other Eligible Sellers in the General Category in the following order of priority:

- (a) Acceptance of 100% Equity Shares from other Eligible Sellers in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in paragraph 19.8.1(a) above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the other Eligible Sellers over and above their Buy-Back Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Sellers divided by the total Additional Equity Shares validly tendered



in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.

(c) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.8.1(a) and (b) above:

- i) For any Eligible Seller, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- ii) For any Eligible Seller if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.9 Basis of Acceptance of Equity Shares between Categories

19.9.1 In case there are any Equity Shares left to be bought back in one category ("**Partially filled Category**") after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be accepted proportionately, i.e. valid Acceptances per Eligible Seller shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Seller in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the partially filled category.

If the Partially filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.8.1 ii) shall be reduced by 1 (one)

19.9.2 Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.9.1 above:

- i) For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- ii) For any shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.10 For avoidance of doubt, it is clarified that:

19.10.1 The Equity Shares accepted under the Buy-Back from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Seller;



- 19.10.2 The Equity Shares accepted under the Buy-Back from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Seller as on the Record Date; and
- 19.10.3 The Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.
- 19.10.4 Post allocation, up to the entitlement of each Eligible Shareholder or the number of Shares tendered by each Shareholder, whichever is lower, all over-tendered Shares will be accepted by the Company on a proportionate basis. The ratio computed for over-tendered Equity Shares will be computed separately for the Reserved Category and the General Category.
- 19.11 Clubbing of Entitlement:** In order to ensure that the same Shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder or General Category) and entitlement under the Buy-Back. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint Shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds / trusts, insurance companies etc., with a common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body –broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients

20 PROCEDURE FOR TENDER OFFER AND SETTLEMENT

- 20.1. The Buy-Back is open to all Eligible Sellers, who hold Equity Shares on the Record Date.
- 20.2. The Company proposes to effect the Buy-Back through a tender offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy-Back as well as the detailed disclosures as specified in the Buy-Back Regulations, will be mailed/ dispatched to Eligible Shareholders of the Company 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 Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.25 below. The Company shall accept all the Equity Shares validly tendered in the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date.



- 20.4. The Company will not accept any Equity Shares offered for Buy-Back where there exists any restraint order of a Court for transfer / disposal/ sale or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists
- 20.5. The Company shall comply with Regulation 24(v) of the Buy-Back Regulations which states that the Company shall not Buy-Back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- 20.6. Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buy-Back and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buy-Back. The Board or Buy-Back Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 20.7. Shareholders' participation in Buy-Back will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Equity Shares accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, as a result of the decrease in the paid-up Equity Share Capital, without additional investment. The Eligible Shareholders may also tender a part of their Buy-Back Entitlement. Eligible Shareholders also have the option of tendering Additional Shares (over and above their Buy-Back Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buy-Back Entitlement by the Shareholder, shall be in terms of procedure outlined in section 19 (**Process and Methodology for the Buy-Back**) of this Draft Letter of Offer.
- 20.8. The tender in the Buy-Back Offer should be unconditional, on the enclosed Tender Form and sent along with other documents duly filled and signed by all the Eligible Shareholder(s). The process of Acceptance shall be as disclosed in paragraph 19.6, 19.7 and 19.8.
- 20.9. Eligible Shareholders, to whom the Offer is made, are free to tender Shares to the extent of their Buy-Back Entitlement, in whole or in part or in excess of their Buy-Back Entitlement subject to a maximum of their full holding, as on the Record Date. Acceptance of any Shares tendered in excess of the Buy-Back Entitlement of the Shareholder, shall be in terms of procedure outlined in paragraph 19.8.
- 20.10. Eligible Shareholders who have accepted the Buy-Back Offer by tendering their Equity Shares and requisite documents in terms of this Draft Letter of Offer are entitled to cancel/modify such tenders during the Tendering Period.
- 20.11. As elaborated under paragraph 19.5 above, the Equity Shares proposed to be bought as a part of the Buy-Back is divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders, and the Buy-Back Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.



- 20.12. After accepting the Equity Shares tendered on the basis of Buy-Back Entitlement, Equity Shares left to be bought as a part of the Buy-Back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buy-Back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-Back Entitlement, in other category.
- 20.13. The Buy-Back shall be implemented using the “Mechanism for acquisition of shares through Stock Exchange” issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and in accordance with the procedure prescribed in the Companies Act and the Buy-Back Regulations and as may be determined by the Board (including the Committee authorized to complete the formalities of the Buy-Back) and on such terms and conditions as may be permitted by law from time to time.
- 20.14. For implementation of the Buy-Back, the Company has appointed Keynote Capitals Limited as the registered broker to the Company (the “**Company's Broker**”) through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company's Broker are as follows:

KEYNOTE

Keynote Capitals Limited

The Ruby, 9th Floor,
Senapati Bapat Marg,
Dadar (W), Mumbai – 400 028

Contact Person: Mr. Alpesh Mehta

Email ID: alpesh@keynoteindia.net

Tel No: +91-22-68266000

Company Website: www.keynoteindia.net

SEBI Registration Number: INZ000241530

CIN: U67120MH1995PLC088172

- 20.15. For the purpose of this Buy-Back, BSE will be the Designated Stock Exchange. The Company will request BSE Limited to provide a separate acquisition window (“**Acquisition Window**”) to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-Back. All Eligible Shareholders may place orders in the Acquisition Window of BSE, through their respective stock brokers (“**Shareholders Broker**”). In case any Eligible Shareholder's stock broker is not registered with BSE, for additional procedural requirements, in addition to requirements stated in paragraph 20.21 and 20.22, please refer to paragraph 20.24 below.
- 20.16. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window of BSE by Eligible Shareholders through their respective Seller Broker during normal trading hours of the secondary market.
- 20.17. Seller Broker can enter orders for equity Shares.
- 20.18. Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buy-Back Offer. Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as ‘one’ bid for the purposes of Acceptance



- 20.19. The cumulative quantity tendered shall be made available on the website of the BSE at www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.20. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.21. **Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialised form**
- (a) Eligible Shareholders who desire to tender their Equity Shares under the Buy-Back would have to do so through their respective Seller Broker by indicating to the concerned Seller Broker, the details of Equity Shares they intend to tender under the Buy-Back.
 - (b) The Shareholders Broker would be required to place a bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buy-Back using the Acquisition Window of BSE. Before placing the bid, the concerned Seller Broker would need to transfer the tendered Equity Shares to the special account of Clearing Corporation of India Limited ("Clearing Corporation"), by using the settlement number and the procedure prescribed by the Clearing Corporation. This shall be validated at the time of order/bid entry. The details of the settlement number for the Buy-Back shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation.
 - (c) 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 the closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
 - (d) Upon placing the bid, the Shareholders Broker shall provide a TRS generated by the stock 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, No. of Equity Shares tendered, etc.
 - (e) Eligible Shareholders who have tendered their Equity Shares in the Buy-Back may deliver the Tender Form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the 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 Buy-Back Offer at the address mentioned on the cover page of this Draft Letter of Offer) not later than 2 (Two) days from the Buy-Back Closing Date i.e. [•] (by 5:00 PM). The envelope should be superscribed as "**Automobile Corporation of Goa Limited - Buy-Back Offer**".
 - (f) The Eligible Shareholders who have tendered their Equity Shares in the Buy-Back will have to ensure that they keep the depository participant account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial Acceptance. Further, the Eligible Shareholders will have to ensure that they keep the bank account attached with the depository participant account active and updated to receive credit remittance due to acceptance of Buy-Back of Equity Shares.



- (g) All the 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) The Tender Form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the shares;
 - ii) Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
 - iii) Duly attested death certificate and succession certificate / legal heirship certificate, in case any Eligible Shareholder has expired; and
 - iv) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- (h) In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-Back shall be deemed to have been accepted, for demat Shareholders.
- (i) In case any Eligible Shareholder's stock broker is not registered with BSE, for additional procedural requirements, please refer to paragraph 20.24 **(Additional procedural requirements for Eligible Shareholders, whose stock broker are not registered with BSE)** below.

20.22 Equity Shares held in the Physical form:

- a) As per the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), read with SEBI's press releases dated December 3, 2018, and March 27, 2019, effective from April 1, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository ("LODR Amendment").
- b) Shareholders who are holding physical equity shares and intend to participate in the Buy-Back shall note that in terms of notice no. 20190424-35 dated April 24, 2019 issued by BSE Limited, all transactions and settlements under Offer to Buy on BSE Platform will only be carried out in demat form.
- c) In light of the LODR Amendment, any of the Eligible Shareholders holding Equity Shares in physical form and are desirous of tendering their Equity Shares can do so only after the shares are dematerialized. Such Eligible Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized.

20.23 For Equity Shares held by Eligible Sellers, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 "DETAILS OF THE STATUTORY APPROVALS"):

- a) While tendering their Equity Shares under the Buy-Back Offer, all Non-Resident Equity 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. 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. Erstwhile OCBs are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buy-Back Offer. OCBs are required to obtain and enclose RBI approval for tendering Shares in the Buy-Back Offer. The Company shall not accept Equity Shares from OCBs/ NRIs in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- c) Where Non-Resident Shareholder is tax resident of a country which has entered into a DTAA with India, it may be possible for the Non-Resident Shareholder to avail the beneficial provisions, if any, under the DTAA. If the Non-Resident Shareholder opts to avail the beneficial provisions as per DTAA, a tax residency certificate of such person from the tax authorities of the country of which such person is the tax resident and prescribed Form 10F, along with all the other prescribed information, as also a copy of the self-certified declaration for non-existence of a permanent establishment should be submitted along with the Tender Form. A copy of the Tender Form must also be provided to the relevant Seller Broker.
- d) If the Non-Resident Shareholder requires the Shareholders Broker not to deduct tax, or to deduct tax at a lower rate, or on a lower amount, for any reason, they would need to obtain a certificate from the Income- tax authorities, either under Section 195(3) or under Section 197 of the Income Tax Act, 1961 and submit this to Company and the Shareholders' Broker while submitting the Tender Form. In absence of such certificate from the Income-tax authorities, the Shareholders' Broker shall deduct tax on gross consideration at the prescribed rate of tax.
- e) It is recommended that the Non-Resident Shareholders submit a copy of the PAN card along with the Tender Form as PAN verification is necessary for the Company and Shareholders' Broker to deduct taxes at the appropriate rate as well as to avoid queries regarding availability of tax credit on the TRACES website. In the absence of PAN, a different rate may be applicable as per the provisions of the Indian tax laws.
- f) Non-Resident Shareholders who have acquired Equity Shares of the Company under the approval route of the RBI and erstwhile OCBs are required to submit copies of earlier RBI approvals along with their respective Tender Forms.
- g) In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholders should enclose the supporting documents. Such documents could include:
 - i) a copy of the permission received by them from RBI at the time of the original acquisition of Shares.
 - ii) a letter from the Shareholder's authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for this was made by the Non-Resident Shareholder from the appropriate account as specified by RBI in its approval.
 - iii) any other document which evidences repatriability of sale proceeds in respect of the tendered Shares.
- h) In case the Non-Resident Shareholder is not in a position to produce supporting documents towards enabling repatriation, the Equity Shares would be deemed to have



been acquired on non-repatriation basis and in that case the Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Offer i.e. by way of credit to an non-repatriation bank account or issuance of rupee demand draft.

20.24 Additional procedural requirements for Eligible Shareholders, whose stock broker are not registered with BSE

- a) In the event the stock broker of any Eligible Shareholder is not registered with BSE, such Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker (so that such stock broker is in compliance with the applicable regulations of SEBI). An indicative list of such documents is given as under.

1. In case of Eligible Seller being an individual or HUF:

A. If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):

(a) Forms required:

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

(b) Documents required (all documents self-attested):

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

B. If Eligible Shareholder is not registered with KRA:

(a) Forms required:

- 1) CKYC form
- 2) KRA form
- 3) KYC form

(b) Documents required (all documents self-attested):

- 1) PAN card copy
- 2) Address proof
- 3) Bank details (cancelled cheque)
- 4) 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 also be required.

2. In case of Eligible Seller other than Individual and HUF:

A. If Eligible Shareholder is KRA registered:

(a) Form required

**1) KYC Form****(b) Documents required (all documents self-attested)**

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

B. If Eligible Shareholder is not KRA registered:**(a) Forms required:**

- 1) KRA form
- 2) KYC form

(b) Documents required (all documents self-attested):

- 1) PAN card copy
- 2) Address proof
- 3) Bank details (cancelled cheque)
- 4) Demat details, only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- 5) Latest list of directors/authorised signatories /partners
- 6) PAN card copies & address proof of directors/authorised signatories/partners
- 7) Latest shareholding pattern
- 8) Board resolution/partnership declaration
- 9) Details of ultimate beneficial owner along with PAN card and address proof
- 10) Last 2 years financial statements
- 11) MOA/Partnership deed

20.25 In case of non-receipt of the Letter of Offer:

An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. www.acgl.goa.com or send an application in writing on plain paper signed by all Eligible Shareholders stating name, address, 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 Buy-Back (along with the necessary documents mentioned in paragraph 20.21). The Tender Form along with necessary documents should reach the Registrar to the Buy-Back Offer no later than 2(Two) days from the Buy-Back Closing Date i.e., [•] (by 5.00 PM). Eligible Shareholders must also ensure that credit of dematerialized Shares in the special account of the Clearing Corporation, by using the settlement number and the procedure prescribed by the Clearing Corporation takes place before 5:00 PM on the Buy-Back Closing Date.

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



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

The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buy-Back on the basis of their shareholding as on the Record Date and the Buy-Back Entitlement.

The non-receipt of this Draft Letter of Offer by, or accidental omission to dispatch this Draft Letter of Offer to any Eligible Shareholder, shall not invalidate the Offer to any person who is eligible to receive this Offer under the Buy-Back. Eligible 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 Company website (www.acgl.goa.com) or obtain a duplicate copy by writing to the Registrar to the Buy-Back Offer. Please note that the Company shall accept Equity Shares validly tendered for the Buy-Back Offer on the basis of their holding and entitlement as appearing in the records of the Company as on the Record Date.

The acceptance of the Buy-Back 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 Buy-Back 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.

Depositories are required to provide information to the Clearing Corporation about the shareholder on whose behalf the Seller Broker has placed a sell order. This information shall include investor PAN, beneficiary account details and bank details including IFSC code.

20.26 Method of Settlement

Upon finalization of the basis of Acceptance as per Buy-Back Regulations:

- (a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market process including providing an option for direct payout to the Shareholders and as intimated by the Clearing Corporation from time to time.
- (b) The Company will pay the consideration pertaining to the Buy-Back to the Company's Broker which will transfer the funds pertaining to the Buy-Back to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares Accepted under the Buy-Back, Clearing Corporation will make direct funds payout to respective Eligible Shareholders bank account linked to its demat account. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI / Bank, due to any reason, then such funds will be transferred to the concerned Seller Member(s) settlement bank account for onward transfer to their respective Shareholders.



- (c) The Equity Shares bought back would be transferred directly to the demat account of the Company (the **"Company Demat Account"**) provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- (d) Excess Equity Shares or unaccepted Equity Shares, if any, tendered by the Eligible Shareholders would be returned to the respective Eligible Shareholders by Clearing Corporation as part of the exchange payout process, not later than [•], 2019. If the Share transfer instruction is rejected in the depository system, due to any issue, then such Shares will be transferred to the Shareholders Brokers depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess shares or unaccepted Shares, if any, will be returned to the respective custodian participant depository pool account. The Shareholders Broker / custodian participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed.
- (e) Shareholders Broker will issue contract notes and pay the consideration for the Equity Shares accepted under the Buy-Back and return the balance unaccepted Equity Shares to their respective clients. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-Back.
- (f) Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Seller Broker for payment to them of any cost, charges and expenses (including brokerage) or any tax required to be withheld from the Buy-Back Consideration that may be levied by the Seller Broker upon the selling Shareholders or withheld from the Buy-Back consideration for tendering Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the selling Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges expenses (including brokerage) and tax and the Company accepts no responsibility to bear or pay such additional cost, charges expenses (including brokerage) and tax liability incurred solely by the selling Shareholders.
- (g) The Equity Shares lying to the credit of the Company Demat Account will be extinguished in the manner and following the procedure prescribed in the Buy-Back Regulations.

20.27 Rejection Criteria:

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

- (a) The Equity Shareholder is not an Eligible Shareholder of the Company as on the Record Date.
- (b) The Equity Shares tendered are in physical form.
- (c) If there is a name mismatch in the dematerialized account of the Equity Shareholder and PAN.

21. NOTE ON TAXATION

1. GENERAL

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

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

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

The Indian tax year runs from 1st April to 31st March. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under Section 10 of the Income Tax Act, 1961 ('ITA').

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the 'situs' of the shares. As per ITA and Judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Taxation Avoidance Agreement ("DTAA") subject to satisfaction of the relevant conditions and documentary compliance requirements prescribed under the ITA/DTAA.

2. CLASSIFICATION OF SHAREHOLDERS

Section 6 of the Income Tax Act 1961 determines the residential status of an assessee. Accordingly, shareholders can be classified broadly in two categories as below:

A) Resident Shareholders being:

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

B) Non-Resident Shareholders being:

- Non-Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
 - Company
 - Other than Company

3. BUY BACK OF SHARES

Section 115QA of the ITA introduced w.e.f. 1st June 2013 contains provisions for taxation of a domestic company in respect of buy-back of shares (within the meaning of Sec. 68 of the Companies Act, 2013). In effect, the incidence of tax stands shifted completely to the Company and not the recipient of the buyback proceeds. Rule 40 BB was inserted in the Income Tax Rules, 1962 to specify the determination of “the amount received by the Company” on shares bought back which is crucial to the computation of the tax u/s 115QA.

Before the enactment of Finance Act 2019, this section was not applicable to shares listed on a recognized stock exchange. The Finance Act, 2019 has amended section 115QA with effect from 5th July, 2019 extending its provisions to cover distributed income on buy-back of equity shares of a company listed on a recognized stock exchange as well.

Section 10(34A) provided for exemption to a shareholder in respect of income arising from buy-back of shares w.e.f. 1st April 2014 (i.e. Assessment year 2014-15). The Finance Act 2019 has also made consequential changes to section 10(34A) extending the benefit of exemption of income from buy-back to shareholders in respect of shares listed on recognized stock exchange as well.

Thus, the tax implications to the two categories of shareholders are as under:

Resident Shareholders

Income arising to the shareholder on account of buy-back of shares as referred to in section 115QA is exempt from tax under the provisions of the amended section 10(34A) with effect from 05th July, 2019.

Non-Resident Shareholders

While the income arising to the shareholder on account of buy back of shares as referred to in section 115QA is exempt from tax under the provisions of the amended section 10(34A) with effect from 05th July, 2019 in the hands of a Non-resident as well, the same may be subject to tax in the country of residence of the shareholder as per the provisions of the tax laws of that country. No credit may be allowed to such Non- resident shareholder to be claimed in the country of residence in respect of the buy-back tax paid by the company in view of Sec 115 QA (4) and (5).

As the Company has not issued any Depository Instruments abroad, specific tax treatment in such a case is not relevant. The aspect of the shares being held as stock-in-trade or as investment may be relevant only from the perspective of taxation of a shareholder who is a tax resident of another country and not for someone who is a resident under the Income Tax Act 1961.

4. MINIMUM ALTERNATE TAX

A shareholder being an Indian company, is entitled to reduction of such income from buy back, as is credited to its Statement of Profit and Loss, for the purpose of computation of Minimum Alternate Tax under section 115JB of the Act in terms of provisions of clause of (ii) of Explanation



1 thereto. Expenses relatable to such income if any, debited to the statement of profit and loss are, correspondingly required to be added to such book profit in terms of clause (f) of the said Explanation.

5. TAX DEDUCTION AT SOURCE

Amount paid in respect of the buy-back of shares is not subjected to any Tax Deduction at Source. Even provisions of Sec 195 (in case of payment to any non-resident) are not triggered since the sum is not chargeable to ITA by virtue of Sec. 10(34A) – thus obviating any withholding tax obligation.

Caveat:

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

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

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under Clause (ix) and (x) of Schedule I to the Buy-Back Regulations as under:

1. The Board of Directors confirm that there are no defaults subsisting in repayment of deposits, interest payment thereon, redemption of debentures payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of term loans to any financial institutions or bank.
2. The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:
 - a. Immediately following the date of the Board Meeting held on July 24, 2019 with regard to the Buy-Back, 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 held on July 24, 2019 with regard to the Buy-Back, approving the Buy-Back and having regards to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting approving the Buy-Back;
 - c. In forming its opinion for the above purpose, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 (including prospective and contingent liabilities) and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

23. AUDITORS CERTIFICATE

- i) The text of the Report dated September 9, 2019 received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below

Quote

To,
The Board of Directors
Automobile Corporation of Goa Limited
Honda, Sattari,
Goa – 403530

Dear Sirs,

Statutory Auditor's report in respect of proposed buy back of equity shares by Automobile Corporation of Goa Limited (the "Company") in terms of Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("Buy-Back Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated 4 April 2019 and addendum to it dated 24 July 2019.
2. The Board of Directors of the Company have approved a proposal for Buy-Back of equity shares by the Company at its Meeting held on 24 July 2019 and the Articles of Association have been amended via special resolution dated 04 September 2019 in the members meeting conducted by postal ballot / e-voting the results of which were declared on 06 September 2019, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended ("**the Act**") read with Buy-Back Regulations.
3. We have been requested by the Management of the Company to provide a report on the accompanying "Statement of Permissible Capital Payment (including premium)" ("**Annexure A**") as at 31 March 2019 (hereinafter referred to as the "**Statement**"). This Statement has been prepared by the Management of the Company, which we have initialed for the purpose of identification only.

Management's Responsibility

4. The preparation of the Statement in accordance with the provisions of the Act and the compliance with the Buy-Back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors' Responsibility

5. Pursuant to the requirements of clause (xi) of Schedule I of the Buy-Back Regulations, it is our responsibility to provide a reasonable assurance:



- (i) whether we have inquired into the state of affairs of the Company in relation to its latest audited Ind AS financial statements as at and for the year ended 31 March 2019 (**“audited financial statements”**);
 - (ii) if the amount of the permissible capital payment (including premium) as stated in Annexure A for the proposed Buy-Back of equity shares, has been properly determined considering the audited financial statements in accordance with Section 68 (2) of the Act and the proviso to Regulation 5(i)(b) of the Buy-Back Regulations; and
 - (iii) if the Board of Directors of the Company in their Meeting held on 24 July 2019 (and subsequent amendment of the Articles of Association via special resolution dated 04 September 2019 in the members meeting conducted by postal ballot/e-voting the results of which were declared on 06 September 2019), have formed the opinion as specified in clause (x) of Schedule I to the Buy-Back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date.
6. The audited financial statements referred to in paragraph 5 above, have been audited by us on which we have issued an unmodified opinion vide our report dated 10 May 2019. We conducted our audit of the financial statements in accordance with the Standards of Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (**“Guidance Note”**). 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.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:
- (i) We have inquired into the state of affairs of the Company in relation to its audited financial statements as at and for the year ended 31 March 2019, which have been approved by the Board of Directors of the Company on 10 May 2019;
 - (ii) The amount of permissible capital payments (including premium) towards the proposed Buy-Back of 3,33,000 equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68 (2) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company as at and for the year ended 31 March 2019; and
 - (iii) the Board of Directors of the Company, at their meeting held on 24 July 2019 (and subsequent amendment of the Articles of Association via special resolution dated 04 September 2019 in the members meeting conducted by postal ballot/e-voting the results of which were declared on 06 September 2019), have formed their opinion, as specified in clause (x) of Schedule I to the Buy-Back Regulations, on 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 passing the Board Resolution dated 24 July 2019.

Restriction on use

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed Buy-Back of equity shares of the Company is pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buy-Back Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer and letter of offer pertaining to Buy-Back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable laws; and (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and (iii) for providing to the Manager, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For **B S R & Co. LLP.**

Chartered Accountant

Firm's Registration No. 101248W / W-100022

Sd/-

Abhishek

Partner

Pune

09 September 2019

Membership No.062343

UDIN No: 19062343AAAABZ3792

Annexure A – Statement of Permissible Capital Payment (including premium)

Computation of amount of permissible capital payment towards buy back of equity shares of Automobile Corporation of Goa Limited in accordance with proviso to Section 68(2) of the Companies Act, 2013 (**the "Act"**) and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018:

Particulars	Amount in INR
Paid up Share Capital of face value of ₹10 each	64,216,220
Free Reserves:	
a) Securities Premium Reserves	680,818,433
b) General Reserves	208,058,290
c) Retained earnings	1,058,347,185
Total Free Reserves	1,947,223,908
Total Paid up Capital & Free Reserves / Net worth	2,011,440,128
Maximum amount permissible for Buy-Back under Section 68 of the Act i.e 10% of the Total Paid up Capital and Free Reserves with Board Approval	201,144,013
Buy-Back offer size permitted by the Board Resolution dated 24 July 2019	199,800,000
Buy-Back Offer size as a percentage of total paid up capital and free reserves.	9.93%

Notes:

1. The aforesaid balances have been extracted accurately from the audited financial statements and the underlying books of accounts as at and for the year ended 31 March 2019 and the secretarial records of the Company.
2. Free reserves are as per sub clause 43 of Section 2 and explanation II to Section 68 of the Act and accordingly excludes capital redemption reserve.
3. The aforesaid statement has been prepared in connection with the proposed Buy-Back of 3,33,000 equity shares at a price of Rs. 600 per share (Face value per share – Rs. 10 and Premium per share – Rs. 590) aggregating to Rs. 199,800,000. The shares proposed for Buy-Back have been determined in accordance with the provisions of the Companies Act, 2013 including Section 68 and the Buy-Back Regulations.
4. The Board of Directors have in their meeting dated 24 July 2019, formed an opinion that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the aforesaid date.
5. Special resolution 04 September 2019 of members meeting conducted through Postal Ballot/E-voting, the results of which was declared on 06 September 2019 was taken for approval of revised Articles of Association.

For Automobile Corporation of Goa Limited

SIGNED FOR IDENTIFICATION

Sd/-
Mr. OV Ajay
CEO & Executive Director

Sd/-
FOR B S R & Co. LLP

Place: Honda, Goa
Date: September 9, 2019

Unquote

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday, except public holidays) during the offer period:

- i) Certificate of Incorporation of the Company;
- ii) Memorandum and Articles of Association of the Company;
- iii) Annual reports of the Company for the last three financial year's viz. March 31, 2019, 2018 and 2017;
- iv) Copy of resolution passed by the Board of Directors at its meeting held on July 24, 2019 approving the proposal of the Buy-Back;
- v) Certificate dated September 9, 2019 received from S B R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buy-Back Regulations;

- vi) Copy of Public Announcement dated September 9, 2019 published in the newspapers on September 11, 2019 regarding Buy-Back;
- vii) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 of the Companies (Share Capital and Debentures) Rules, 2014;
- viii) Certificate from Marathe Rao & Swarup Chartered Accountants, dated September 9, 2019, certifying that the Company has firm financing arrangements for fulfilling the obligations under the Buy-Back, in accordance with the Regulations;
- ix) Copy of Escrow Agreement dated September 7, 2019 between Automobile Corporation of Goa Limited (Company), HDFC Bank Limited (Escrow Bank) and Keynote Financial Services Limited (Manager to the Buy Back);
- x) Confirmation letter by the Escrow Bank dated September 17, 2019 that the Escrow Account has been opened and Escrow Amount has been deposited;
- xi) SEBI observation vide letter dated [●] issued in terms of the Buy-Back Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

The Company has designated Ms. Manisha Naik Shirgaonkar as the compliance officer for the purpose of the Buy-Back ("**Compliance Officer**"). Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e., 9:00 a.m. to 4:30 p.m. on all working days except Saturday, Sunday and public holidays at the below-mentioned address:

The contact details are as given below

Name	Ms. Manisha Naik Shirgaonkar
Designation	Company Secretary & Compliance Officer
Address	Honda, Sattari, Panaji, Goa, 403530
Email	sectl@acglgoa.com
Contact	0832-2383018 / 2383014

26. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS

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

If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as the case may be.

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the Equity Shareholders may contact the Registrars to the Buy-Back during working hours i.e. 10.00 a.m. to 5.00 p.m. on all working days at the following address except Saturday, Sunday and public holidays up to the date of Closure of the Buy-Back.

REGISTRAR TO THE BUY BACK:



TSR Darashaw Consultants Private Ltd

6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi (West), Mumbai – 400011

Contact Person: Ms. Mary George

Tel.: (+91) 22 6656 8484 **Fax :** (+91) 22 66568494

Email : ACGLBuy-Back2019@tsrdarashaw.com

Website : www.tsrdarashaw.com

SEBI Regn. No. : INR000004009

CIN : U74999MH2018PTC307859

28. DETAILS OF THE MANAGER TO THE BUY BACK

The Company has appointed Keynote Financial Services Limited as Manager to the Buy-Back. Their contact details are as under

KEYNOTE

Keynote Financial Services Limited

(Formerly known as Keynote Corporate Services Limited)

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028;

Tel: +91–22– 68266000-3; **Fax:** +91–22– 6826 6088;

E-mail: mbd@keynoteindia.net; **Website:** www.keynoteindia.net;

Contact Person: Ms. Pooja Sanghvi;

SEBI Registration No.: INM 000003606;

CIN: L67120MH1993PLC072407

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

As per Regulation 24(i)(a) of the Buy-Back Regulations, the Directors of the Company accept full responsibility for the information contained in this Draft Letter of Offer. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board of Directors in its meeting held on July 24, 2019.

For and on behalf of Board of Directors of Automobile Corporation of Goa Limited

Sd/-	Sd/-	Sd/-
OV Ajay Chief Executive Officer and Executive Director	Yatin Kakodkar Non-Executive - Independent Director	Manisha Naik Shirgaonkar Company Secretary and Compliance Officer

Place: Goa

Date: September 18, 2019

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

BUYBACK OPENS ON:	
BUYBACK CLOSES ON:	
For Registrar's use	

Route of investment (Only Non-Resident Eligible Shareholders are required to fill this)	
Portfolio investment scheme	
Foreign Direct Investment scheme	
Others	

DATE:

India Tax Residency Status: Please tick appropriate box

☐ Resident in India ☐ Non-Resident in India ☐ Resident of _____ (Eligible Shareholder to fill-in the country of residence)

To,

Automobile Corporation of Goa Limited

c/o: - TSR Darashaw Consultants Private Limited

6-10, Haji Moosa Patrawala Industrial Estate,

20, Dr. E. Moses Road, Near Famous Studio,

Mahalaxmi (West), Mumbai – 400011

Status: Please tick appropriate box			
<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Institutional Investors / Foreign Portfolio Investors	<input type="checkbox"/> Insurance Company	
<input type="checkbox"/> Foreign Company	<input type="checkbox"/> Non-Resident Indian / OCB	<input type="checkbox"/> FVCI	
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank / Financial Institution	<input type="checkbox"/> Pension/PF	
<input type="checkbox"/> VCF	<input type="checkbox"/> Partnership/LLP	<input type="checkbox"/> Others (specify)	

Dear Sir/Madam,

Sub: Letter of Offer dated [●], 2019 to Buy-Back upto 3,33,000 (Three Lakhs Thirty Three Thousand) Equity Shares of Automobile Corporation of Limited (the "Company") at a price of ₹600/- (Rupees Six Hundred only) per Equity Share ("Buy-Back Offer Price"), payable in cash.

- 1) I/We (having read and understood the Letter of Offer dated [●], 2019) issued by the Company, hereby tender / offer my / our Equity Shares in response to the Buy-Back Offer on the terms and conditions set out below and in the Letter of Offer.
- 2) I / We authorise the Company to Buy-Back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-Back Offer to extinguish such Equity Shares.
- 3) I / We hereby affirm that the Equity Shares comprised in this tender offer are offered for Buy-Back by me / us are free from all liens, pledges, equitable interest, charges and encumbrance.
- 4) I / We declare that there are no restraints / injunctions or other order(s)/covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-Back Offer and that I am/ We are legally entitled to tender the Equity Shares for Buy-Back Offer.
- 5) I/We agree that the Company will pay the Buyback Price only after due verification of the validity of documents and that the consideration will be paid as per the secondary market mechanism.
- 6) I/ We acknowledge that the responsibility to discharge the tax due on any gains arising on Buyback is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians / authorized dealers / tax advisors appropriately.
- 7) I / We undertake to indemnify the Company, if any tax demand is raised on the Company, on account of gains arising to me / us on Buyback of shares. I / We also undertake to provide to the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on Buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc.
- 8) I / We agree that the excess demat Equity Shares or unaccepted demat Equity Shares tendered, if any, may be delivered/returned to the Selling Member by the Clearing Corporation in payout.
- 9) I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- 10) I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-Back in accordance with the Companies Act, SEBI Buy-Back Regulations and any other applicable laws.
- 11) Details of Equity Shares held and tendered / offered for Buy-Back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (September 20, 2019)		
Number of Equity Shares Entitled for Buy-Back (Buy-Back Entitlement)		
Number of Equity Shares offered for Buy-Back (including Additional Shares, if any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 20 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

- 12) **Applicable for all Non-Resident shareholders:** I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (the "**FEMA Regulations**") and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
- 13) Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Automobile Corporation of Goa Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the SEBI Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the Power of Attorney.

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ACKNOWLEDGMENT SLIP: AUTOMOBILE CORPORATION OF GOA LIMITED - BUYBACK OFFER 2019
 (To be filled by the Eligible Equity Shareholder) (Subject to verification)

DP ID:

Received from Mr./Ms./Mrs. _____

Client ID:

STAMP OF REGISTRAR /
COLLECTION CENTRE

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

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

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

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

Name of the Depository (tick whichever is applicable)	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL
Name of the Depository Participant		
DP ID No.:		
Client ID with the DP		

15) Equity Shareholders Details:

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

*Corporate Accounts – Authorised signatories to sign & affix Company's rubber stamp. The relevant corporate authorization should be enclosed with the application form submitted.

INSTRUCTIONS

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

- 1) This Offer will open on [●], 2019 and close on [●], 2019.
- 2) For the procedure to be followed by Eligible Shareholders for tendering in the Buy-Back Offer, please refer to paragraph 20 of the Letter of Offer.
- 3) Eligible Shareholders who desire to tender their equity shares in the dematerialized form under the Buyback would have to do so through their respective Shareholder's Broker by indicating the details of equity shares they intend to tender under the Buyback.
- 4) Shareholders may submit their duly filled Tender Form to the Office of Registrar to the Buy-Back (as mentioned in Paragraph 18 of the Letter of Offer) only post placing the bid via the Shareholders Broker / Seller Member.
- 5) In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company, as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents: a) Approval from the appropriate authority for such merger; b) The scheme of merger; and c) The requisite form filed with MCA, intimating the merger.
- 6) **The Buyback shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or non-receipt of valid bid in the exchange bidding system.**
- 7) The shares in the Offer shall be rejected if the tenderer is not an Eligible Shareholder of the Company as on the Record date or if there is a name mismatch in the demat account of the Shareholder or if the Eligible Shareholder has made a duplicate bid.
- 8) Excess Demat Shares or unaccepted Demat 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, Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian depository pool account.
- 9) The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback, as may be decided by the Company / Registrar to the Buyback, in accordance with the SEBI Buyback Regulations.
- 10) All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 11) By agreeing to participate in the Buyback, the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- 12) **THE TENDER FORM AND TRS MAY BE SUBMITTED TO THE REGISTRAR. AFTER THE RECEIPT OF THE DEMAT EQUITY SHARES BY THE CLEARING CORPORATION AND A VALID BID IN THE EXCHANGE BIDDING SYSTEM, THE BUYBACK SHALL BE DEEMED TO HAVE BEEN ACCEPTED FOR THE ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMAT FORM.**

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

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All future correspondence in connection with this Buy-Back, if any, should be addressed to Registrar to the Buy-Back Offer at the following address quoting your client ID and DP ID:

Investor Service Centre, Automobile Corporation of Goa Limited - Buy-Back Offer 2019

TSR Darashaw Consultants Private Limited

6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi (West), Mumbai – 400011

Contact Person: Ms. Mary George

Tel.No.: (+91) 22 6656 8484 **Fax No.:** (+91) 22 66568494

Email: ACGLBuy-Back2019@tsrdarashaw.com

Website: www.tsrdarashaw.com

SEBI Regn. No. INR000004009

CIN – U74999MH2018PTC307859