

PUBLIC ANNOUNCEMENT

FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF AUTOMOBILE CORPORATION OF GOA LIMITED IN CONNECTION WITH THE BUY-BACK OF EQUITY SHARES THROUGH THE TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BAORD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018

This Public Announcement (the “**Public Announcement**”) is being made pursuant to the provisions of Regulation 7 (i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the “**Buy-Back Regulations**”) for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Schedule II to the Buy-Back Regulations read with Schedule I of the Buy-Back Regulations.

OFFER FOR BUY-BACK OF NOT EXCEEDING 3,33,000 (THREE LAKHS THIRTY THREE THOUSAND) FULLY PAID UP EQUITY SHARES OF AUTOMOBILE CORPORATION OF GOA LIMITED (“ACGL”/THE “COMPANY”) OF FACE VALUE OF ₹10/- (INDIAN RUPEES TEN ONLY) EACH 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) IN CASH, EXCLUDING TRANSACTION COSTS AND APPLICABLE TAXES INCURRED OR TO BE INCURRED FOR THE BUY-BACK, ON A PROPORTIONATE BASIS, THROUGH THE TENDER OFFER ROUTE USING THE STOCK EXCHANGE MECHANISM FROM ALL THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE (“BUY-BACK OFFER” OR “BUY-BACK”). THE MAXIMUM NUMBER OF EQUITY SHARES TO BE BOUGHT BACK CONSTITUTES 5.19 % OF THE TOTAL NUMBER OF EQUITY SHARES IN THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS ON MARCH 31, 2019.

i) Details of the Buy-Back offer

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 Automobile Corporation of Goa Limited (the Board of Directors of the Company are hereinafter referred to as the “**Board**” or the “**Board of Directors**”, which expression shall include the committee constituted by the Board to exercise its power related to the Buy-Back i.e., the “**Buy-Back Committee**”) at its meeting held on Wednesday, July 24, 2019 (the “**Board Meeting**”), approved the buy-back of not exceeding 3,33,000 fully paid-up Equity Shares of the Company (representing 5.19% of the total number of Equity Shares in the total paid-up equity share capital of the Company) from the eligible shareholders/beneficial owners of the Equity Shares of the Company as on September 20, 2019 (the “**Record Date**”) (for further details in relation to the Record Date, refer to paragraph xvii of this Public Announcement), on a proportionate basis, through the “**tender offer**” process as prescribed under the Buy-Back Regulations, at a price of ₹ 600/- (Rupees Six Hundred only) per Equity Share (“**Buy-Back Offer Price**”), payable in cash, for an aggregate maximum consideration not exceeding ₹19,98,00,000/- (Rupees Nineteen Crores Ninety Eight Lakhs only) (such maximum amount hereinafter referred to as the “**Buy-Back Offer Size**”) excluding the transaction cost viz. brokerage, applicable taxes such as Buy-Back tax, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, filing fees, printing and dispatch expenses and other incidental and related expenses and charges (“**Transaction Costs**”). The Buy-Back Offer Size represents 9.93% of the aggregate of the Company’s paid-up capital and free reserves as per the audited financial statements of the Company for the year ended March 31, 2019 (the latest audited financial statements available as on the date of the Board Meeting, recommending the proposal of the Buy-Back). The Buy-Back is subject to receipt of such approvals, permissions, consents, sanctions and exemptions of the statutory, regulatory or governmental authorities, as may be required under the applicable laws including from the Reserve Bank of India (“**RBI**”) and Securities and Exchange Board of India (“**SEBI**”), and/or BSE Limited (“**BSE**”).

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 the Postal Ballot were announced on Friday, September 06, 2019.

The Buy-Back is pursuant to Article 67 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (“**Companies Act**”) and the relevant rules made thereunder including the Companies (Share Capital and Debentures) Rules, 2014, and the Companies (Management and Administration) Rules, 2014, each as amended from time to time and to the extent applicable, and the provisions of the Buy-Back Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”).

The Buy-Back shall be undertaken on a proportionate basis from the equity shareholders of the Company as on the Record Date (“**Eligible Shareholders**”) through the tender offer process prescribed under Regulation 4(iv)(a) of the Buy-Back Regulations 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 on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under the proviso to Regulation 6 of the Buy-Back Regulations. Additionally, the Buy-Back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in its circular bearing reference number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular bearing reference number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and such other circulars as may be applicable, including any further amendments thereof (such circular hereinafter referred to as the “**SEBI Circulars**”). In this regard, the Company will request BSE to provide the separate acquisition window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buy-Back. For the purposes of this Buy-Back, BSE is the designated stock exchange. Once the Buy-Back is concluded, all Equity Shares purchased by the Company in the Buy-Back will be extinguished. Please refer to paragraph xvii below for further details regarding the Record Date and shareholders’ entitlement to tender the Equity Shares in the Buy-Back.

The Buy-Back of Equity Shares from shareholders who are persons resident outside India including foreign portfolio investors, erstwhile overseas corporate bodies and non-resident Indians, etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the RBI under the Foreign Exchange Management Act, 1999, as amended and the rules, regulations framed thereunder, if any and such approvals shall be required to be taken by such non-resident Indian shareholders.

The Buy-Back of Equity Shares may be subject to taxation in India and/or in the country of residence of the Eligible Shareholders. The transaction of Buy-Back would also be chargeable to securities transaction tax in India except in the cases of physical Shareholder. In due course, Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buy-Back

In accordance with Regulation 9(xi) of the Buy-Back Regulations, the Company has appointed HDFC Bank Limited as the Escrow Agent for the aforementioned Buy-Back and an Escrow Account in the name and style “Automobile Corporation of Goa Limited – Buy-Back - Escrow Account” has been opened with the Escrow Agent. The Company has deposited an amount of ₹ 4,99,50,000 (Rupees Four Crore Ninety Nine Lakhs Fifty Thousand Only) in the Escrow Account, being 25% of the total Buy-Back size.

A copy of this Public Announcement will be available on the Company’s website (www.acglgoa.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) and on the website of BSE (www.bseindia.com) during the period of the Buy-Back.

ii) Necessity for the Buy-Back

The Board at its meeting held on 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:

- 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;
- 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;
- 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
- 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.

iii) Maximum amount required under the Buy-Back & its percentage of the total paid-up capital and free reserves and the sources of funds from which the Buy-Back would be financed:

The aggregate fully paid-up equity share capital and free reserves as per latest audited balance sheet of the Company for the financial year ended March 31, 2019 is ₹ 201.14 crores. The funds deployed for proposed Buy-Back shall not exceed 10% of the aggregate fully paid-up equity share capital and free reserves of the Company under the Board approval route, as provided under the proviso to Section 68(2)(b) of the Companies Act. Accordingly, the maximum amount that is being utilised in the proposed Buy-Back as approved by the Board is ₹19.98 crores which is within the maximum permissible amount as aforesaid and which represents 9.93% of the fully paid-up equity share capital and free reserves as per latest audited balance sheet of the Company for the financial year ended March 31, 2019. This amount excludes any transaction costs such as Buy-Back tax, securities transaction tax, GST, stamp duty, filing fees, advisors’ fees, brokerage, public announcement expenses, printing and dispatch expenses and other incidental and related expenses.

Further, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 16,05,406 (Sixteen Lakhs Five Thousand Four Hundred and Six) Equity Shares. Since the Company proposes to Buy-Back up to 3,33,000 Equity Shares, the same is within the aforesaid 25% limit.

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 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.

iv) Maximum Price at which the Equity shares are proposed to be brought back and the basis of arriving at the Buy-Back Price:

The Equity Shares of the Company are proposed to be bought back at a price of ₹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.

The Buy-Back Offer Price represents:

- 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”)
- Premium of 26.03 % over the volume weighted average market price of the Equity Shares on BSE for two weeks preceding the Intimation Date.
- Premium of 34.95% over the closing price of the Equity Shares on BSE as on the Intimation Date.

v) Maximum number of equity shares that the Company proposes to Buy-Back:

The Company proposes to Buy-Back not exceeding 3,33,000 Equity Shares of the Company, representing 5.19% of the total number of Equity Shares in the total paid-up equity capital of the Company.

Further, under the Companies Act and the Buy-Back Regulations, number of Equity Shares that can be bought back in any financial year shall not exceed 25% of the total number of Equity Shares in the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 16,05,406 Equity Shares. Since the Company proposes to buy-back up to 3,33,000 Equity Shares, the same is within the aforesaid 25% limit.

vi) Method to be adopted for Buy-Back:

The equity shares shall be purchased through Buy-Back by the Company using ‘Tender Offer’ route as prescribed under “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide SEBI Circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 following 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

vii) a) The aggregate shareholding of the promoter and of the directors of the promoters, where the promoter is a company and of the persons who are in control of the Company as on the date of the meeting of board of directors (i.e. July 24, 2019) is as follows:

- The aggregate shareholding of the Promoter and Promoter Group and the persons who are in control of the company is as under:

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

- The aggregate shareholding of the directors of the promoters in the Company, where the promoter is a company:

None of the Directors of Tata Motors Limited, EDC Limited and Tata Motors Finance Limited, hold any equity shares in the Company.

- No Equity Shares of the Company have been purchased/sold by any of the Promoter, and Promoter Group, Directors, of the Promoter Group companies, during the period from six months preceding the date of the Board Meeting at which the Buy-Back was proposed and from the date of the Board Meeting till the date of this Public announcement.

viii) Intention of the Promoters and Promoters Group of the Company to tender equity shares:

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 Offer. In this regard, the Promoter and Promoter Group of the Company vide their letters dated July 24, 2019 expressed their intention of not participating in the Buy-Back.

In order to be in compliance with Regulation 10(4)(C) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Promoter Directors/Directors belonging to Promoter Group i.e Tata Motors Limited, Tata Motors Finance Limited and EDC Limited did not participated in the discussion on proposed Buy-Back of shares (including approval thereof) in the board meeting dated July 24, 2019.

ix) No Defaults:

The Company confirms that there are no defaults made or subsisting in the repayment of deposits / interest thereon, redemption of debentures or preference shares, payment of dividend to any shareholder or repayment of term loans / interest thereon to any financial institution or banks.

x) Confirmation that the Board of Directors has made full enquiry into the affairs and prospects of the Company and that they have formed the opinion:

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:

- Immediately following the date of the Board Meeting held on July 24, 2019, there will be no grounds on which the Company can be found unable to pay its debts;

- As regards the Company’s prospects for the year immediately following the date of the Board meeting held on July 24, 2019 with regard to the proposed 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;

- In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

xi) Confirmations from the Company as per the provisions of the Buy-Back Regulations and the Companies Act:

- All the equity shares which the Company proposes to Buy-Back are fully paid up
- The Company will not Buy-Back its shares so as to delist its shares from the Stock Exchanges.
- There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act.
- The Company as per provisions of Section 68(8) of the Company Act, 2013 shall not make further issue of the same kind of equity shares or other specified securities within a period of 6 (six) months after the completion of the Buy-Back except by way of bonus shares or equity shares issued to discharge subsisting obligations such as conversion of warrants, stock options, sweat equity or conversion preference shares or debentures into equity shares, if any.
- The Company shall not issue any equity shares or other specified securities (including by way of bonus and employees’ stock option) during the Buy-Back period.
- The Company shall not raise further capital for a period of 1 (one) year from the expiry of the Buy-Back period, except in discharge of its subsisting obligations.
- The Company shall not withdraw the Buy-Back after the public announcement of the offer to Buy-Back is made.
- The Company shall not buy-back its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement.
- The Company shall not directly or indirectly purchase its own equity shares through (i) any subsidiary company including its own subsidiary companies, if any or; (ii) through any investment company or group of investment companies.
- The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buy-Back (or such other higher ratio of the debt to capital and free reserves for the Company that has been notified under the Companies Act) (as on date no such higher ratio having been prescribed by the Companies Act).
- The Company shall not make any offer of buy-back within a period of 1 (one) year reckoned from the date of expiry of the Buy-Back Period of the current buy-back offer.
- The Company is in compliance with the conditions under Regulation 4, Regulation 24 and other applicable provisions of the Buy-Back Regulations.

xii) The text of the Report dated September 9, 2019 received form 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

To,
The Board of Directors
Automobile Corporation of Goa Ltd.
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 (“Buyback Regulations”)

- 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.
- The Board of Directors of the Company have approved a proposal for buyback 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 Buyback Regulations.
- 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

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

Auditors’ Responsibility

- Pursuant to the requirements of clause (xi) of Schedule I of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:
 - 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”);
 - if the amount of the permissible capital payment (including premium) as stated in Annexure A for the proposed buyback 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 Buyback Regulations; and
 - 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 Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date.
- 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.
- 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.
- 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:

- 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;
- The amount of permissible capital payments (including premium) towards the proposed buyback 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
- 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 Buyback 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 buyback of equity shares of the Company is pursuant to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer and letter of offer pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable 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 Accountants
Firm’s Registration No. 101248W / W-100022
Abhishek
Partner
Membership No.062343
UDIN : 19062343AAAABZ3792

Pune
9 September 2019

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 Buyback under Section 68 of the Act i.e 10% of the Total Paid up Capital and Free Reserves with Board Approval	201,144,013
Buyback offer size permitted by the Board Resolution dated 24 July 2019	199,800,000
Buyback Offer size as a percentage of total paid up capital and free reserves.	9.93%

Notes:

- 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.
- 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.
- The aforesaid statement has been prepared in connection with the proposed buyback of 3,33,000 equity shares at a price of ₹ 600 per share (Face value per share – ₹ 10 and Premium per share – ₹ 590) aggregating to ₹ 199,800,000. The shares proposed for buyback have been determined in accordance with the provisions of the Companies Act, 2013 including Section 68 and the Buyback Regulations.
- 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.
- Special resolution dated 04 September 2019 of members meeting conducted through Postal Ballot / E-voting, the results of which were declared on 06 September 2019 was taken for approval of revised Articles of Association.

For Automobile Corporation of Goa Limited

SIGNED FOR IDENTIFICATION BY

sd/-
OV Ajay
CEO and Managing Director
Place: Honda, Goa
Date: September 9, 2019

Process and methodology to be adopted for the Buy-Back

The Buyback is open to all Shareholders/beneficial owners of the Company holding Equity Shares on the Record Date.

The Buy-Back shall be implemented using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular (“**Stock Exchange Mechanism**”) and following 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.

For implementation of the Buy-Back, the Company has appointed **Keynote Capitals Limited** as the registered broker to the Company (the “**Company’s Broker**”) to facilitate the process of tendering of Equity Shares through Stock Exchange Mechanism for the Buy-Back and 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 Capitals Limited

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

Contact Person: Mr. Alpesh Mehta

Email: alpesh@keynoteindia.net

Tel. : +91-22-68266000

The equity shares of the Company are listed on BSE Limited. The proposed Buy-Back will be implemented through Stock Exchange Mechanism provided by BSE Limited, who shall be the Designated Stock Exchange for implementation of the proposed Buy-Back.

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. The details of the Acquisition Window will be as specified by BSE from time to time. BSE Limited would be the Designated Stock Exchange for this Buy-Back.

At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company’s Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers (“**Shareholder Broker**”) during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Equity Shares in dematerialised form (“**Demat Shares**”).

In the event the Shareholder Broker of any Eligible Shareholder is not registered with BSE as a trading member/ stock broker/ Shareholder Broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register himself by using web based unique client code application (“**UCCI online**”) facility through that BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register himself by using UCI UCC online facility through any other BSE registered stock broker, then that Eligible Shareholder may approach the Company’s Broker i.e., Keynote Capitals Limited, to place their bids.

The reporting requirements for non-resident shareholders under the Foreign Exchange Management Act, 1999, as amended and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

Further, the Company will not accept shares tendered for Buy-Back which are under restraint order of the court for transfer/sale and/or the title in respect of which is otherwise under dispute 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.

Modification/ cancellation of orders will be allowed during the tendering period of the Buy-Back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as “one bid” for the purposes of acceptance.

The cumulative quantity of Equity Shares tendered shall be made available on the website of BSE i.e., www.bseindia.com throughout the trading session and will be updated at specific intervals during the tendering period.

xiv) Procedure to be followed by Shareholders holding Demat Shares:

Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buy-Back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-Back.

The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Demat Equity Shares in the Buy-Back using the Acquisition Window of BSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Demat Shares to the special account of the BSE Clearing Limited (the “**Clearing Corporation**”), by using the early pay in mechanism as prescribed by BSE or the Clearing Corporation prior to placing the bid by the Shareholder Broker.

The details of the special account of Clearing Corporation shall be informed in the offer opening circular that will be issued by BSE or Clearing Corporation

For Custodian Participant orders for Demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian participant. The custodian participant 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, order modification shall revoke the custodian participant confirmation and the revised order shall be sent to the custodian participant again for confirmation.

Upon placing the bid, the Shareholders Broker shall provide a Transaction Registration Slip (“**TRS**

- e) In case of certain Eligible Shareholders viz., non-resident Indians, non-residents etc. (where the regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account
- f) The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the demat mode in the Buy-Back. The Company's Broker would also issue a contract note to the Company for the Equity Shares in the demat mode accepted under the Buy-Back.
- g) Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Shareholder Broker for details of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Shareholder Broker upon the Eligible Shareholders for tendering their Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration, received by the Eligible Shareholders who have tendered Equity Shares in the Buy-Back, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- h) 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.
- xvii) Record Date and Shareholder Entitlement.**
- a) As required under the Buy-Back Regulations, the Company has fixed September 20, 2019 as the record date (the "**Record Date**") for the purpose of determining the entitlement and the names of the Eligible Shareholders, who are eligible to participate in the Buy-Back. The Equity Shares proposed to be bought back by the Company, as part of this Buy-Back shall be divided into two categories: (a) reserved category for Small Shareholders and (b) the general category for all other Shareholders, and the entitlement of a Shareholder in each category shall be calculated accordingly.
- b) In accordance with the proviso to Regulation 6 of the Buy-Back Regulations, 15% (Fifteen per cent) of the number of Equity Shares which the Company propose to Buy-Back, or number of Equity Shares entitled as per shareholding of Small Shareholders as on the Record Date, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy-Back.
- c) Based on the shareholding as on the Record Date, the Company will determine the entitlement of each Shareholder to tender their Equity Shares in the Buy-Back. This entitlement for each Shareholder will be calculated based on the number of Equity Shares held by the respective Shareholder as on the Record Date and the ratio of Buy-Back applicable in the category to which such Shareholder belongs. The final number of Equity Shares the Company will purchase from the Shareholders will be based on the Equity Shares tendered. Accordingly, in the event of the overall response to the tender offer being in excess of Buy-Back Offer Size, the Company may not purchase all the Equity Shares tendered by the Shareholders over and above their entitlement.
- d) After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in small shareholders category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Shareholders in that category, and thereafter from Shareholders who have tendered over and above their entitlement in other category.
- e) In order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder or General category, the Company proposes to club together

- the Equity Shares held by such Eligible Shareholders with a common permanent account number ("PAN") for determining the category (Small Shareholder or General) 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 PAN of the joint shareholders is identical and where the PAN of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buy-Back (defined below) as per the shareholder records received from the depositories
- f) The Eligible Shareholders' participation in the Buy-Back will be voluntary. The Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment. The Shareholders may also tender a part of their entitlement additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any.
- g) The maximum tender under the proposed Buy-Back by any Shareholder cannot exceed the number of Equity Shares held by the Shareholder as on the Record Date.
- h) The Equity Shares tendered as per the entitlement by Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buy-Back Regulations.
- i) Detailed instructions for participation in the proposed Buy-Back (tender of Equity Shares in the Buy-Back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Shareholders as on Record Date.
- xviii) Compliance Officer**
- The Company has designated Ms. Manisha 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:
- | | |
|--------------------|--|
| Name | Ms. Manisha Naik Shirgaonkar |
| Designation | Company Secretary & Compliance Officer |
| Address | Honda, Sattari, Panaji, Goa, 403530 |
| Email | sectl@acglgoa.com |
| Contact | 0832-2383018/2383014 |
- xix) Investor Service Centre and Registrar to the Buy-Back**
- In case of any query, the shareholders may contact TSR Darashaw Consultants Pvt. Ltd ("Registrar to the Buy-Back") on any day, except Saturday, Sunday and public holidays between 10:00 a.m. to 3:30 p.m. at the following address



Total Solutions Repository

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

Email : ACGLBuyback2019@tsrdarashaw.com

Website : www.tsrdarashaw.com

SEBI Regn. No. INR000004009 **dated** 22nd December, 2014

CIN – U74999MH2018PTC307859

xx)

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,

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;

In case of any query, the Shareholders may contact the Registrar to the Buy-Back/ Manager to the Buy-Back, from Monday to Friday between 10 am & 5 pm at the above mentioned addresses.

xxi)

Directors' responsibility statement

In terms of Regulation 24(i)(a) of the Buy-Back Regulations, the Board of Directors of the Company accept responsibility for all the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc., which may be issued in relation to the Buy-Back and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

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

Sd/-

OV Ajay

Chief Executive Officer
& Executive Director

Sd/-

Yatin Kakodkar

Non-Executive -
Independent Director

Sd/-

Manisha Naik Shirgaonkar

Company Secretary &
Compliance Officer

Place: Goa

Date: September 9, 2019