

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

This Letter of Offer is being sent to you, being an Eligible Shareholder of Elegant Marbles and Grani Industries Limited (the “Company”) as on Record Date in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. If you require any clarifications regarding, the actions to be taken, you may consult your stock broker or investment consultant or the Manager or the Registrar to the Buyback Offer. Please refer to the section on “Key Definitions” for definition of the capitalized terms used herein.



Marbles & Grani Industries Ltd.

Elegant Marbles and Grani Industries Limited

(CIN: L14101RJ1984PLC003134)

Registered Office: E -7/9, Abu Road, RIICO Industrial Area, Sirohi, Rajasthan, 327026, India

Corporate Office: Elegant House, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West),
Mumbai, Maharashtra- 400013, India

Tel: +91-22-24960771, Fax: +91-22-24930782

Website: www.elegantmarbles.com, **Email:** companysecretary@elegantmarbles.com

Contact Person: Ms. Sneha N. Valeja, Company Secretary and Compliance Officer

OFFER FOR BUY BACK OF 8,40,000 (EIGHT LAKH FORTY THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10 (RUPEES TEN RUPEES ONLY) EACH, REPRESENTING 18.67% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PRESENT ISSUED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. JANUARY 25, 2018 (THE “RECORD DATE”), ON A PROPORTIONATE BASIS, BY WAY OF A TENDER OFFER ROUTE THROUGH STOCK EXCHANGE MECHANISM AT A PRICE OF RS. 205 (RUPEES TWO HUNDRED AND FIVE ONLY) PER EQUITY SHARE PAYABLE IN CASH FOR AN AGGREGATE CONSIDERATION OF RS.17,22,00,000 (RUPEES SEVENTEEN CRORES TWENTY TWO LAKH ONLY).

- The Buyback is being undertaken by the Company in accordance with Article 56 of the Articles of Association of the Company, the provisions of Sections 68, 69, 70, 110, 179 and other applicable provisions of the Companies Act, 2013 (“Act”), the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 (“Rules”) and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (the “SEBI Buyback Regulations”). The Buyback is further subject to approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications, if any, from time to time from statutory, regulatory or governmental authorities as required under applicable laws, including but not limited to Securities and Exchange Board of India (“SEBI”) and the Stock Exchange where the Equity Shares of the Company are listed i.e. the BSE Limited (“BSE”).
- The Buyback Offer size represents 24.78% of the aggregate paid-up equity capital and free reserves of the Company as per the audited accounts of the Company for the Financial Year ended March 31, 2017 (the last audited financial statements available as on the date of the Board meeting recommending the proposal of the Buyback) and is within the statutory limits of 25% of the fully paid-up equity capital and free reserves as per the last Audited Financial Statements of the Company.
- This Letter of Offer is sent to the Equity Shareholders/ Beneficial Owners holding equity shares of the Company as on the Record Date, i.e. Thursday, January 25, 2018 (Eligible Shareholders).
- A copy of the Public Announcement and the Letter of Offer (including the Tender Form(s)) shall be available on the website of the Securities and Exchange Board of India at www.sebi.gov.in.
- For the procedure for acceptance and tender of Equity Shares as well as for mode of payment of consideration to Eligible Shareholders, please see the section entitled “Procedure for Tender Offer and Settlement” in paragraph 20 of this Letter of Offer. The Tender Form(s) is enclosed with this Letter of Offer.
- Eligible Shareholders are advised to refer to the sections entitled “Details of Statutory Approvals” and “Note on Taxation” on pages 24 and 35 respectively, of this Letter of Offer, before tendering their Equity Shares in the Buyback.

Buyback opens on: March 05, 2018 (Monday)

Buyback closes on: March 16, 2018 (Friday)

Last date/ time for receipt of the completed Tender Offer Form and other specified documents including physical share certificates by the Registrar: March 20, 2018 (Tuesday), (By 5:00 P.M)

Manager to the Offer

SPA Capital Advisors Limited
SEBI Regn. No.: INM000010825
Validity of Registration: Perpetual
101-A, 10th Floor, Mittal Court,
Nariman Point, Mumbai – 400021, India
Tel. No. +91 22 4043 9000
Fax No. +91 22 2202 1466
Email: buyback.elegantmarbles@spagroupindia.com
Investor Grievance Email:
grievances.mb@spagroupindia.com
Website: www.spacapital.com
Contact Person: Mr. Rajiv Sharma



Registrar to the Offer

Universal Capital Securities Pvt. Ltd.
SEBI Regn. No.: INR000004082
Validity of Registration: April 17, 2020
21/25, Shakil Niwas, Opp. Satya
Saibaba Temple, Mahakali Caves Road
Andheri (East), Mumbai - 400093
Maharashtra, India
Tel. No.: +91 22 2820 7203
Fax No.: +91 22 2820 7207
Email: info@unisec.in
Website: www.unisec.in
Contact Person: Mr. Ravindra Utekar



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1. SCHEDULE OF ACTIVITIES

Particulars	Date	Day
Date of Board Meeting approving the proposal of Buyback of Equity Shares	November 28, 2017	Tuesday
Date on which the result of the Postal Ballot for Special Resolution through which the Shareholders approved the Buyback was declared	January 15, 2018	Monday
Date of publication of the Public Announcement for the Buyback	January 16, 2018	Tuesday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	January 25, 2018	Thursday
Date of Opening of the Buyback	March 05, 2018	Monday
Date of Closing of the Buyback	March 16, 2018	Friday
Last date of receipt of the completed Tender Forms and other specified documents including physical Equity Share Certificates,(if and as applicable) by the Registrar	March 20, 2018 (By 5:00 P.M)	Tuesday
Last date of verification of Tender Forms by the Registrar	March 22, 2018	Thursday
Last date of intimation regarding acceptance or non-acceptance of tendered Equity Shares to Stock Exchange by the Registrar	March 23, 2018	Friday
Last date for settlement of bids on the Stock Exchanges	March 26, 2018	Monday
Last date of dispatch of consideration / share certificate(s) by Registrar / payment to shareholders / return of unaccepted demat shares by Stock Exchange to Eligible Shareholders	March 27, 2018	Tuesday
Last date of extinguishment of Equity Shares	April 03, 2018	Tuesday

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

2. KEY DEFINITIONS

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

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

Act / Companies Act	The Companies Act, 2013, as amended and applicable rules thereunder
Acceptance	Acceptance of fully paid Equity Shares tendered by Eligible Shareholders in the Buyback Offer
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange, i.e. BSE Limited in the form of a separate window in accordance with the SEBI Circular
Additional Equity Shares or Additional Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder
Articles /AOA	The Articles of Association of the Company
Board/ Board of Directors	The Board of Directors of the Company
Board Meeting	Meeting of the Board of Directors held on November 28, 2017 approving the proposal for the Buyback Offer
BSE	BSE Limited

Buyback / Buyback Offer / Offer	Offer by Elegant Marbles and Grani Industries Limited for Buyback of 8,40,000 (Eight Lakh Forty Thousand Only) fully paid-up Equity Shares of face value Rs. 10/- each of the Company at a price of Rs. 205/- (Rupees Two Hundred and Five Only) per Equity Share for an aggregate amount of Rs. 17,22,00,000/- (Rupees Seventeen Crore and Twenty Two Lakh Only), in accordance with the Regulations and relevant provisions of the Act by way of a Tender Offer route through the Stock exchange mechanism.
Buyback Committee	The Buyback Committee of the Board of Directors constituted and authorized for the purposes of the Buyback by way of a resolution of the Board of Directors meeting dated November 28, 2017. This Committee comprises of Mr. Rajesh Agrawal, Chairman and Managing Director, Mr. Rakesh Agrawal, Managing Director and Mr. Hitesh Kothari, Chief Financial Officer. Ms. Sneha N. Valeja, Company Secretary and Compliance Officer of the Company, shall act as the Secretary to the Committee
Buyback Entitlement or Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buyback offer, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio of Buyback applicable to such Eligible Shareholder
Buyback Price	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. Rs. 205/- (Rupees Two Hundred and Five Only) per Equity Share fully paid up, payable in cash
SEBI Buyback Regulations/ Buyback Regulations	The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 including any amendments, statutory modifications or re-enactments thereof, for the time being in force and the SEBI Circular
CDSL	Central Depository Services (India) Limited
Closing Date of Buyback	March 16, 2018 (Friday)
Clearing Corporation	Indian Clearing Corporation Limited
Company/ Elegant	Elegant Marbles and Grani Industries Limited
Company's Broker	SPA Securities Limited
Demat Escrow Account	The depository account titled "Elegant Marbles and Grani Industries Limited - Buyback Offer - Demat Escrow Account" opened by the Company
DP	Depository Participant
DIN	Director Identification Number
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	The designated stock exchange for the Buyback is BSE
Draft Letter of Offer	The Draft Letter of Offer dated January 22, 2018 filed with SEBI
Eligible Shareholder or Eligible Person(s)	All Person(s)/shareholders(registered and unregistered) / beneficial owners of shares holding Equity shares as on Record date and who are eligible to participate in the Buyback
Equity Shares / Shares	Fully paid-up equity shares of the Company of face value of Rs. 10/- (Rupees Ten Only) each
Escrow Account	The Escrow Account titled "Elegant Marbles and Grani Industries Limited – Buy-Back Escrow Account" opened with the Escrow Agent
Escrow Agent	Axis Bank Limited, Fort Branch, Mumbai
Escrow Agreement	The Escrow Agreement dated January 15, 2018 entered into between the Company, the Manager to the Offer and the Escrow Agent
FEMA	Foreign Exchange Management Act, 1999
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investors
HUF	Hindu Undivided Family

IT Act	Income-tax Act, 1961, as amended
Letter of Offer	The Letter of offer dated February 21, 2018 containing disclosures in relation to the Buyback as specified in the SEBI Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer
Manager to the Offer	SPA Capital Advisors Limited
Management Rules	Companies (Management and Administration) Rules 2014
NRI/ Non Resident Indian	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
Offer Size	Equity shares proposed to be bought back (i.e. 8,40,000 Equity shares) multiplied by the Buyback Offer price (i.e. Rs. 205/- per Equity Share), aggregating to Rs. 17,22,00,000 (Rupees Seventeen Crores Twenty Two Lakh only)
Opening Date of Buyback	March 05, 2018 (Monday)
PAN	Permanent Account Number
Public Announcement	The Public Announcement, made in accordance with the SEBI Buyback Regulations, dated January 15, 2018, which was published on January 16, 2018
Promoter/ Promoter Group	<u>Promoters:</u> Rajesh Agrawal Rakesh Agrawal <u>Promoter Group:</u> Alka Agrawal Divya Agrawal Gita Agrawal Indu Agrawal
Ratio of Buyback	The ratio of the Buyback: (i) in case of Small Shareholders, 237 Equity Shares for every 592 Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, 123 Equity Shares for every 721 Equity Shares held by such Eligible Shareholder on the Record Date
RBI	Reserve Bank of India
Record Date	Thursday, January 25, 2018
Registrar to the offer	Universal Capital Securities Pvt. Ltd.
Share Capital Rules	Companies (Share Capital and Debentures) Rules, 2014
SEBI	Securities and Exchange Board of India
SEBI Circular	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.
Shareholders	Holders of Equity Shares and includes beneficial owners thereof
Seller Member / Seller Broker	A Seller Member (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	‘Small Shareholder’ means an Equity shareholder of the company, who holds Equity shares whose market value, on the basis of closing price of shares, on the recognized stock exchange in which highest trading volume in respect of such security, as on Record date, i.e. Thursday, January 25, 2018 is not more than Rs. 2,00,000/- (Rupees Two Lakh Only).
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Tender Offer	Method of Buyback as defined in Regulation 2(1)(o) of the SEBI Buyback Regulations
Tender Offer Form / Form of Acceptance	The form to be filled in by the Shareholders to participate in the Buyback.
Tendering Period	Period of 10 (ten) Working days from the Opening date of Buyback till the Closing Date of Buyback (both days inclusive)
TRS	Transaction Registration Slip

3. **DISCLAIMER CLAUSE**

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

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Letter of Offer, the Manager to the Buyback offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. Pursuant to this requirement, Manager to the Buyback offer, M/s. SPA Capital Advisors Limited has furnished to SEBI a due diligence certificate dated January 22, 2018 in accordance with the SEBI Buyback Regulations which reads as follows:

“We have examined various documents and materials relevant to the Buyback as part of the due diligence carried out by us in connection with the finalization of the Public Announcement dated January 15, 2018 and the Draft Letter of Offer dated January 22, 2018. On the basis of such examination and the discussions with the Company, we hereby state that:

- **The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback;**
- **All the legal requirements connected with the said offer including the SEBI (Buy Back of Securities) Regulations, 1998, as amended, have been duly complied with;**
- **The disclosures in the Public Announcement and the Draft Letter of Offer 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 Buyback;**
- **Funds used for Buyback shall be as per the provisions of the Companies Act, 2013 as amended.”**

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

The Promoters / Directors of the Company declare and confirm that no information / material likely to have a bearing on the decision of investors has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement / mis-representation and in the event of it transpiring at any point of time that any information / material has been suppressed / withheld and / or amounts to a mis-statement / mis-representation, the Promoters / Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 and the SEBI Buyback Regulations.

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

Disclaimer for U.S. Persons

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

make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Disclaimer for Persons in other foreign countries

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

Important Notice to All Shareholders

This Letter of Offer has been prepared for the purposes of compliance with the Buyback Regulations. Accordingly the information disclosed 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 Managers to the Buyback are under no obligation to update the information contained herein at any time after the date of Letter of Offer. The Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members/ beneficiaries records of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

Forward Looking Statement

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

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

4. TEXT OF THE RESOLUTIONS PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on November 28, 2017. The extracts of the Board Resolutions passed are as follows:

“RESOLVED THAT pursuant to the provisions contained in Article 56 of the Articles of Association of the Company and in accordance with the provisions of Sections 68, 69, 70, 110, 179 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (the “Act”) and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (“Buyback Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments, statutory modification(s) or re-enactment of the Act or Buyback Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (herein referred to as the “Board”, which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), and subject to the approval of shareholders of the Company by way of special resolution through postal ballot, the Board hereby approves, the Buyback by the Company of not exceeding 8,40,000 fully paid-up equity shares of face value of Rs. 10 each (hereinafter referred to as the “Equity Shares” or “Shares”) of the Company (representing 18.67% of the total paid-up equity share capital of the Company as at March 31, 2017) at a price of Rs. 205 /- per equity share (Rupees Two Hundred and Five Only) (“Buy Back Price”) payable in cash for an aggregate amount of Rs. 17,22,00,000 (Rupees Seventeen Crores Twenty Two Lakhs Only) (“Buyback Size”), which is 24.78% of the paid up share capital and free reserves of the Company as per the latest audited balance sheet of the Company for the financial year ended March 31, 2017 through “Tender Offer” route as prescribed under the Buyback Regulations (the process being referred herein as “Buyback”) from the all the equity shareholders / beneficial owners of the Company as on the record date (the “Record date”) and the Buyback Size does not include any expenses incurred or to be incurred for the purposes of implementation of the Buyback such as brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, expenses incurred or to be incurred for filing fees payable to the Securities Exchange Board of India (SEBI) and Registrar of Companies, advisory / legal fees, public announcement publication fees, printing and dispatch expenses and other incidental and related expenses, etc;

RESOLVED FURTHER THAT all the shareholders of the Company will be eligible to participate in the Buyback including the Promoters and Promoter Group, persons in control (including such person acting in concert) of the Company (including members thereof) who hold equity shares of the Company as of record date;

RESOLVED FURTHER THAT the Buyback shall be implemented using the Mechanism for acquisition of shares through the Stock Exchanges as prescribed by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with CFD/DCR2/CIR/P/2016/131 dated December 09, 2016;

RESOLVED FURTHER THAT such Buyback may be made out of the Company’s current surplus and / or cash balances and / or internal accruals / operating cash inflows and / or free reserves and / or such

other sources (and not from any borrowed funds) as may be permitted by law through “Tender Offer” route and as provided under the Buy Back Regulations and the Companies Act, 2013;

RESOLVED FURTHER THAT the Buyback shall have reservation for small shareholders in accordance with the provisions of the Buyback Regulations;

RESOLVED FURTHER THAT the Buyback from Non-Resident Members holding equity shares of the Company, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) and shareholders of foreign nationality, if any, etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any including any amendments, statutory modification or re-enactments for the time being in force;

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Regulation 10 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

RESOLVED FURTHER THAT pursuant to Section 70 of the Companies Act, 2013, the Board hereby affirms that:

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

RESOLVED FURTHER THAT the Board hereby confirms that:

- (i) All the Equity Shares of the Company are fully paid-up;
- (ii) The Company shall not issue any Equity Shares or specified securities including by way of bonus till the date of closure of the Buyback;
- (iii) The Company shall not Buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or till the Equity Shares become transferable;
- (iv) The Company shall not raise further capital for a period of one year from the closure of the Buyback, except in discharge of subsisting obligations;
- (v) The Company shall not Buyback its Equity Shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in terms of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time;
- (vi) That the aggregate amount of the Buyback i.e. Rs. 17,22,00,000 (Rupees Seventeen Crores and Twenty Two Lakhs Only) does not exceed 25% of the aggregate of total paid-up Equity Share capital

and free reserves of the Company as per the Audited Balance Sheet of the Company as on March 31, 2017;

- (vii) That the maximum number of Equity Shares proposed to be purchased under the Buyback shall not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital as per the Audited Balance Sheet as on March 31, 2017;
- (viii) The Company shall not make any offer of Buyback within a period of one year reckoned from the date of closure of the Buyback;
- (ix) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date; and
- (x) 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 Buyback.

RESOLVED FURTHER THAT as required by Clause (x) of Part A of Schedule II under Regulation 5(1) of the Buyback Regulations, the Board confirms that it has made the necessary and full enquiry into the affairs and prospects of the Company and has accordingly formed the opinion:

- (i) That immediately following the date of this Board Meeting, and the date on which the results of the Members' resolution ("Postal Ballot Resolution") will be declared, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) That as regards the Company's prospects for the year immediately following the date of this Board Meeting as well as the year immediately following the date of Postal ballot Resolution, approving the Buyback, having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback or from the date of Postal Ballot Resolution, as the case may be; and
- (iii) That in forming an opinion for the aforesaid purposes, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company was being wound up under the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT in accordance with the provisions of Section 68 of the Act and Buyback Regulations, draft of the Declaration of Solvency prepared in the prescribed form along with annexures thereof, as placed before the Board be and is hereby approved and Shri Rajesh Agrawal, Chairman and Managing Director and Shri Rakesh Agrawal, Managing Director of the Company, be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies and the Securities and Exchange Board of India;

RESOLVED FURTHER THAT a Committee ("Buyback Committee") be and is hereby constituted comprising of Shri Rajesh Agrawal, Chairman and Managing Director, Shri Rakesh Agrawal, Managing Director and Mr. Hitesh Kothari, Chief Financial Officer, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, in the best interest of the Company and its shareholders in connection with the Buyback, including but not limited to:

- a) seeking all regulatory approvals, if any, including of SEBI and the Reserve Bank of India for implementing the Buyback;
- b) deciding and announcing the Record Date for the purpose of Buyback;

- c) appointing, authorizing, entering into agreements with and issuing necessary instructions to the investor service centre and escrow agent;
- d) opening one or more bank accounts, including an escrow account and special account as required, and entering into agreements with and to give instructions to the bankers in connection therewith;
- e) finalizing the terms and timeline of the Buyback including the entitlement ratio, opening date and closing date of the offer period and the timeframe for completing the Buyback and re-affirming declaration of solvency as and when required;
- f) deciding and appointing BSE Limited as designated stock exchange(s) for the Buyback;
- g) arranging for bank guarantees as may be necessary for the Buyback in accordance with applicable law;
- h) depositing and/or instructing the deposit of the requisite amount into escrow and finalising the composition/combination of such deposit into escrow in accordance with the provisions of Regulation 10 of the Buyback Regulations (i.e., cash deposit or bank guarantee including the amounts of the cash deposit and the bank guarantee) and the escrow agreement entered into with the escrow agent;
- i) preparing, finalizing, dating, approving, modifying, signing (in accordance with applicable law), issuing, reissuing and filing with the appropriate statutory/other authorities the public announcement, draft letter of offer, letter of offer and all other documents, resolutions, advertisements, confirmations, intimations and declarations, and the certificate for extinguishment and physical destruction of shares certificates and other documents required in connection with the Buyback upon receiving the requisite shareholder approval for the Buyback, and causing the declaration of solvency and supporting affidavit to be executed in accordance with applicable law and such alterations, additions, omissions, variations, amendments or corrections will be deemed to have been approved by the Board of Directors;
- j) taking all actions to verify offers and acceptances received, finalize the basis of acceptance, pay the shareholders consideration for shares bought back, approve split of physical share certificates and transfer of shares, extinguish dematerialised shares and ensure the physical destruction of the share certificates with respect to the Equity Shares bought back by the Company;
- k) uploading all required information such as details of the Equity Shares bought back on the website and filing the same with the stock exchange as required under applicable law;
- l) signing, executing and delivering such documents as may be necessary or desirable in connection with or incidental to the Buyback, including the execution of documents under common seal of the Company as may be required;
- m) settling and resolving any queries raised by SEBI, stock exchanges, Registrar of Companies and any other authorities whatsoever in connection to any matter incidental to and ancillary of the Buyback, requiring specific approval of the Buyback Committee;
- n) creating and maintaining requisite statutory registers and records as required under the Companies Act and to furnish appropriate returns to the appropriate authorities;
- o) closing the Buyback and completing all the required formalities as specified under the Companies Act, Buyback Regulations and the Listing Regulations and other applicable laws;
- p) altering, modifying, amending the appointment/ engagement and terms and conditions (including terms pertaining to remuneration/payment of commission, brokerage fees and charges) of the intermediaries appointed for the Buyback;
- q) doing such other acts, deeds, matters, or things, and executing such documents, forms, letters, confirmations, and taking all steps as may be necessary to sign, submit and file all necessary forms, letters, applications, e-forms and other documents as they may in their absolute discretion, deem

necessary, expedient, usual or proper or are necessary, expedient, usual or proper with regard to the implementation in connection with or in furtherance of the Buyback;

RESOLVED FURTHER THAT Ms. Sneha Valeja, Company Secretary and Compliance Officer shall act as the Secretary to the Buyback Committee;

RESOLVED FURTHER THAT any two members of the Buyback Committee mentioned above shall form the quorum at the meeting of the Buyback Committee and that this Committee may approve the above by passing appropriate resolutions (including by way of circular resolution) in connection with the above;

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

RESOLVED FURTHER THAT as per the provisions of Section 68(8) of the Act, the Company will not issue same kind of shares or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or Equity Shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

RESOLVED FURTHER THAT M/s. SPA Capital Advisors Limited, SEBI Registered Category - I Merchant Banker, (the “Merchant Banker”) be and is hereby appointed as merchant banker for the purpose of the Buy-Back in terms of the Buyback Regulations and Shri Rajesh Agrawal, Chairman and Managing Director, be and is hereby authorized to finalize the remuneration payable to them and the terms and conditions relating to such appointment, and sign such documents as may be required in this connection;

RESOLVED FURTHER THAT in terms of Regulation 19 (3) of the Buyback Regulations, Ms. Sneha Valeja, Company Secretary and Compliance Officer of the Company be and is hereby appointed as Compliance Officer for the Buyback;

RESOLVED FURTHER THAT in terms of the requirement of the Buyback Regulations, Ms. Sneha Valeja, Company Secretary and Compliance Officer of the Company be and is hereby authorized to obtain the consent/ dissent of the Promoters/ Promoter Group, with respect to their participation in the Buy-back;

RESOLVED FURTHER THAT a copy of the foregoing resolution certified by any of the Director of the Company or the Company Secretary be forwarded to concerned persons / authorities and they be requested to act thereon.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with Regulation 8(1) of the Buyback Regulations, the Company has made the Public Announcement dated January 15, 2018 which was published in the following newspapers on January 16, 2018:

Publication	Language	Editions
Business Standard	English	All Editions*
Business Standard	Hindi	All Editions
Jagruk Times	Hindi	Sirohi Edition

*The Public Announcement appeared on January 17, 2018 in the Hyderabad Edition of Business Standard - English.

The Public Announcement was issued within two working days from the date of passing Special resolution by Shareholders approving the Buyback through postal ballot, the result of which was declared on January 15, 2018.

For compliance with the requirements of Buyback Regulations, the Company will publish further notices or corrigenda in the above 3 newspapers in the editions as mentioned above - i.e. Business Standard - English, Business Standard - Hindi and Jagruk Times - Hindi or in such Daily Newspapers in accordance with Regulation 8 of SEBI Buyback Regulations.

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

6. DETAILS OF THE BUYBACK OFFER

- 6.1 Elegant Marbles and Grani Industries Limited has announced the Buyback of 8,40,000 (Eight Lakh Forty Thousand Only) Equity Shares from all the existing Shareholders / beneficial owners of Equity Shares, on a proportionate basis, through the Tender Offer route at a price of Rs. 205/- (Rupees Two Hundred and Five Only) per Equity Share payable in cash for an aggregate amount of Rs. 17,22,00,000 (Rupees Seventeen Crores Twenty Two Lakh Only). The number of Equity Shares proposed to be bought back represents 18.67% of the total number of equity shares in the present issued and paid-up equity share capital of the Company, which is within the statutory limit of the number of equity shares that can be bought back during the Financial Year.
- 6.2 The Buyback is in accordance with Article 56 of the Articles of Association of the Company, Sections 68 and all other applicable provisions, if any, of the Companies Act and Regulation 4(1)(a) and other applicable provisions of the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI and the Stock Exchange where the Equity Shares of the Company are listed.
- 6.3 The Company will adopt the Tender Offer route for the purpose of Buyback. The Buyback shall be implemented by the Company using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and following the procedure prescribed in the Companies Act and the Buyback Regulations, and as may be determined by the Board (including committee authorized by the Board to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 6.4 The Buyback Offer Size is 24.78% 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, 2017 and is within the statutory limit of 25% of the fully paid-up equity share capital and free reserves as per the last audited accounts of the Company. The Buyback Offer Size does not include any expenses incurred or to be incurred for the Buyback like SEBI filing fees, advisors fees, brokerage, securities transaction tax, Public Announcement publication expenses, printing & dispatch expenses and other incidental & related expenses.
- 6.5 The aggregate shareholding of the persons forming part of the Promoter and the Promoter Group of the Company as on the date of publication of the Public Announcement i.e. January 16, 2018, is as follows:

S. No.	Name of the Promoter/ Promoter Group	No. of Shares Held	% of Holding
1	Rajesh Agrawal*	10,06,800	22.37
2	Rakesh Agrawal*	8,90,000	19.78
3	Alka Agrawal	5,45,000	12.11
4	Divya Agrawal	5,25,000	11.67
5	Gita Agrawal	2,70,000	6.00
6	Indu Agrawal	15,600	0.35
	TOTAL	32,52,400	72.28

(*)Mr. Rajesh Agrawal and Mr. Rakesh Agrawal are the main promoters of the Company and others form the part of the Promoter Group.

In terms of the Buyback Regulations, under the Tender Offer route, the promoters of the Company have the option to participate in the Buyback. In this regard, the promoter entities mentioned above have expressed their intention, vide their letter dated November 28, 2017 to participate in the Buyback and offer upto an aggregate maximum of 11,00,000 Equity Shares or such lower number of Equity Shares as required in compliance with the Buyback Regulations / terms of the Buyback. For details in regard to the intention of the promoters of the Company to participate in the Buyback and the maximum number of Equity Shares to be tendered, kindly refer to paragraph 9.4 and 9.5 of this Letter of Offer.

6.6 None of the Directors or Key Managerial personnel of the Company hold any Equity Shares in the Company except the following:

S. No.	Name	Position	No. of Shares Held	% of Holding
1	Rajesh Agrawal	Chairman & Managing Director	10,06,800	22.37
2	Rakesh Agrawal	Managing Director	8,90,000	19.78
Total			18,96,800	42.15

6.7 No shares were either purchased or sold by the Promoter and Promoter Group, Directors and Key Managerial Personnel of the Company during the period of 6 months preceding the date of the Board Meeting at which the proposal for Buyback was approved and from the date of the Board Meeting till the date of this Letter of Offer.

7. AUTHORITY FOR THE BUYBACK

The Buyback is being undertaken by the Company in accordance with Article 56 of the Articles of Association of the Company, the provisions of section 68, 69, 70, 110, 179 and other applicable provisions of the Companies Act, the Rules thereunder and the SEBI Buyback Regulations. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under applicable law.

The Buyback has been duly authorized by a resolution passed by the Board of Directors at the meeting held on November 28, 2017. Further the Buyback has been authorized by the Equity Shareholders by a Special Resolution passed on January 13, 2018 through postal ballot in accordance with the provisions of Section 110 of the Act and the Rule 22 of the Management Rules. The results of the postal ballot were declared by the Company on January 15, 2018 and the same were submitted alongwith the scrutinizers report dated January 15, 2018 to the BSE on January 15, 2018.

8. NECESSITY OF THE BUYBACK

Share Buyback is the acquisition by a company of its own equity shares. Buyback is a more efficient form of distributing surplus cash to the members holding equity shares of the company, inter-alia, for the following reasons:

- i. The Buyback will help the Company to distribute surplus cash to its Members holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to Members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as 'small shareholder';
- iii. The Buyback would help in improving return on equity, by reduction in the equity base, thereby

leading to long term increase in shareholders' value;

- iv. The Buyback gives an option to the Members holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy the likely resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment.

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

9.1 The Buyback is not likely to cause any material impact on the earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. The Buyback will optimize returns to the shareholders and enhance overall shareholders value. The Buyback will not in any manner impair the ability of the Company to pursue future growth opportunities.

9.2 In terms of the SEBI Buyback Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have the option to participate in the Buyback. **The Promoter and Promoter Group of the Company have expressed their intention, vide their letter dated November 28, 2017 to participate in the Buyback and offer upto an aggregate maximum of 11,00,000 Equity Shares or such lower number of Equity Shares as required in compliance with the Buyback Regulations/ terms of the Buyback.**

9.3 The Buyback of Equity Shares will not result in a change in control or otherwise affect the existing management structure of the Company.

9.4 Furtherance, to the above intention of the Promoter and Promoter Group, the maximum number of shares that the Promoter Group may tender is given in the table below:

S.No.	Name of the Promoter/ Promoter Group	No. of Shares Held	Maximum Number of Shares intended to Tender
1	Rajesh Agrawal	10,06,800	2,00,000
2	Rakesh Agrawal	8,90,000	2,00,000
3	Alka Agrawal	5,45,000	2,50,000
4	Divya Agrawal	5,25,000	2,50,000
5	Gita Agrawal	2,70,000	1,84,400
6	Indu Agrawal	15,600	15,600
TOTAL		32,52,400	11,00,000

9.5 Details of the date and price of acquisition of the Equity Shares that Promoter & Promoter Group intends to tender are set-out below:

i) Rajesh Agrawal

Date of Acquisition	No. of Equity Shares Acquired	Face Value (Rs. Per Share)	Acquisition Price (Rs. Per share)	Nature of Transaction
03-Jun-1994	2,00,000	10.00	Nil	Issue of Bonus shares
Total	2,00,000			

ii) Rakesh Agrawal

Date of Acquisition	No. of Equity Shares Acquired	Face Value (Rs. Per Share)	Acquisition Price (Rs. Per share)	Nature of Transaction
03-Jun-1994	2,00,000	10.00	Nil	Issue of Bonus shares
Total	2,00,000			

iii) Alka Agrawal

Date of Acquisition	No. of Equity Shares Acquired	Face Value (Rs. Per Share)	Acquisition Price (Rs. Per share)	Nature of Transaction
03-Jun-1994	2,50,000	10.00	Nil	Issue of Bonus shares
Total	2,50,000			

iv) Divya Agrawal

Date of Acquisition	No. of Equity Shares Acquired	Face Value (Rs. Per Share)	Acquisition Price (Rs. Per share)	Nature of Transaction
03-Jun-1994	2,50,000	10.00	Nil	Issue of Bonus shares
Total	2,50,000			

v) Gita Agrawal

Date of Acquisition	No. of Equity Shares Acquired	Face Value (Rs. Per Share)	Acquisition Price (Rs. Per share)	Nature of Transaction
03-Jun-1994	1,84,400	10.00	Nil	Issue of Bonus shares
Total	1,84,400			

vi) Indu Agrawal

Date of Acquisition	No. of Equity Shares Acquired	Face Value (Rs. Per Share)	Acquisition Price (Rs. Per share)	Nature of Transaction
03-Jun-1994	500	10.00	Nil	Issue of Bonus shares
29-Sep-1997	15,100	10.00	16.50	Purchase of shares from open market
Total	15,600			

- 9.6 Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoter and Promoter Group in the Company may change from the existing 72.28% holding in the total equity capital and voting rights of the Company. The Promoter and Promoter Group of the Company are already in control over the Company and therefore such further change in voting rights of the Promoter and Promoter Group will not result in any change in control over the Company. The Promoter Group has given an undertaking that if, as a result of Buyback offer, the public shareholding of the Company falls below 25% of the total Paid up Share Capital of the Company, the Promoter Group will reduce their shareholding in such manner and in compliance with the second proviso to the Regulation 10(4)(c) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 19A of the Securities Contracts (Regulations) Rules 1957 and SEBI circular No. CIR/CFD/CMD/14/2015 dated November 30, 2015 so that the minimum public shareholding remains at or above 25%.

Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the shareholders upto their entitlement, the aggregate shareholding of the Promoters and Promoter Group, may increase to 73.70% post Buyback from the current pre Buyback shareholding of 72.28%, and the aggregate shareholding of the public in the Company shall decrease to 26.30% from the current pre Buyback shareholding of 27.72%.

- 9.7 The debt-equity ratio post the Buyback will be below the maximum allowable limit of 2:1 specified under the Act even if the response to the Buyback is to the extent of 100%.
- 9.8 In compliance with regulation 19(1)(b) of SEBI Buyback Regulations, the Company shall not issue any shares or other specified securities including by way of bonus issue till the date of closure of the Buyback Offer made under the Buyback Regulations.
- 9.9 The Company shall not raise further capital for a period of 1 (One) year from the closure of the Buyback offer, except in discharge of subsisting obligations.
- 9.10 The Promoters/Promoter Group shall not deal in the Equity Shares of the Company, including any inter se transfer of shares amongst the promoters / promoter group for the period between the date of this letter of offer and the date of the closure of the Buyback in accordance with the Buyback Regulations.
- 9.11 **Salient financial parameters consequent to the Buyback based on the Audited Financial Statements of the Company as of March 31, 2017, are as under:**

Parameters	*Pre-Buyback	Post-Buyback
Net Worth ^(a) (Rs. in Lakh)	6,950.51	5,228.51
Return on Networth (%) ^(b)	8.97	11.92
Earnings Per Equity Share (in Rs.) ^(c) (Basic and Diluted)	13.85	17.03
Book Value per Share (in Rs.) ^(d)	154.46	142.86
Price / Earnings ratio based on Earnings Per Equity Share ^(e)	13.83	11.24
Total Debt / Equity Ratio ^(f)	Nil	Nil

*Pre and post buyback calculations are based on audited financials of the Company as on March 31, 2017.

Note:

- (a) For the above purpose, “net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited standalone balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Thus, net worth is aggregate value of Paid up share capital and Free Reserves (as defined under Section 2 (43) of the Companies Act, 2013)
- (b) Return on Net Worth = Profit after tax / Net Worth
- (c) Earnings per Share = Profit after Tax / Average number of shares outstanding for the period.
Earnings per Share post Buyback is computed after reducing proposed buyback shares from average outstanding shares for the Year
- (d) Book value per Share = Net Worth / Number of shares at the end of the period
- (e) Price / Earnings ratio is based on the closing market price at BSE as on January 15, 2018, the date of Public Announcement, i.e. Rs. 191.50.
- (f) Total Debt / Equity Ratio = Total Debt / Net Worth. The company doesn't have any outstanding Debt as on March 31, 2017.

10. BASIS FOR CALCULATING BUYBACK PRICE

- 10.1 The Buyback Offer Price of Rs. 205/- (Rupees Two Hundred and Five Only) per share has been arrived at after considering various factors, including, but not limited to the trends in the weighted average prices of the Equity Shares of the Company on BSE, where the equity shares of the Company are listed, the net-worth of the Company, price earnings ratio and the possible impact of the Buyback on the earning per share and other financial parameters.
- 10.2 The Buyback Offer Price of Rs.205/- represents (a) a premium of approx. 22.10% over the closing price on the BSE on November 21, 2017, being the working day immediately preceding the date of intimation to

- BSE for the Board Meeting to consider the proposal of the Buy-back.; (b) a premium of approx. 27.61% over the weighted average price of the Equity Shares on the BSE for 3 months preceding the date of intimation to BSE for the Board Meeting to consider the proposal of the Buy-back.; (c) a premium of approx. 27.39% over the weighted average price of the Equity Shares on the BSE respectively for 2 weeks preceding the date of intimation to BSE for the Board Meeting to consider the proposal of the Buy-back.
- 10.3 The closing market price of the Equity shares of the company at BSE on the date of intimation to BSE for the Board meeting to consider the proposal of the Buyback offer i.e. November 22, 2017, was Rs. 175.15 per share. Further the Buyback price of Rs. 205/- per share represents a premium of approx. 17.04% over the given closing market price on November 22, 2017.
- 10.4 The Buyback Offer price offers a premium of 32.72% over the pre Buyback, Company's book value per share of Rs. 154.46 as at March 31, 2017.
- 10.5 The earnings per Equity Share of the Company, pre Buyback was Rs. 13.85, as on March 31, 2017 which is expected to increase to Rs. 17.03 per Equity Share, post Buyback assuming full acceptance under the Buyback Offer.
- 10.6 The Return on Networth of the company, pre Buyback, as on March 31, 2017 was 8.97% which is expected to increase to 11.92% after the Buyback assuming full acceptance under the Buyback Offer.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback of 8,40,000 Equity shares at a price of Rs. 205/- per Equity share would be Rs. 17,22,00,000 (Rupees Seventeen Crore and Twenty Two Lakh only) excluding transaction cost, viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.
- 11.2 The funds for the Buyback will be sourced from internal accruals of the Company. The Buyback shall be made out of the Company's securities premium account, free reserves as at March 31, 2017 and /or such other sources as may be permitted by the Buyback Regulations, the Companies Act and other applicable laws. The Company shall transfer a sum equal to the nominal value of the Equity Shares proposed to be bought back in the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet and Annual Report(s).
- 11.3 The Company does not intend to raise any debt for the explicit purposes of the Buyback. Thus, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.

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

- 12.1. In accordance with Regulation 10 of the SEBI Buyback Regulations, the Company has appointed Axis Bank Limited, having its registered office at Trishul, 3rd Floor, Opp. Samaratheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad – 380 006, Gujarat, India and acting through its branch at Jeevan Prakash Building, Sir P M Road, Fort, Mumbai - 400 001, Maharashtra, India as the Escrow Agent for the aforementioned Buyback. The Company, the Manager to the Offer and the Escrow Agent have entered into an Escrow Agreement dated January 15, 2018 pursuant to which the Escrow Account in the name and style **“Elegant Marbles and Grani Industries Limited - Buy-Back Escrow Account”** bearing account number 918020004378666 has been opened with the Escrow Agent.
- 12.2. In accordance with the Buyback Regulations, the Company has deposited cash of Rs. 4,30,50,000/- (Rupees Four Crores Thirty Lakh and Fifty Thousand Only), representing 25% of the Buyback Offer size, in the Escrow account. In terms of the Escrow agreement, the cash as well as any Fixed Deposit created therefrom will constitute the escrow amount and would form part of the Escrow Account. The Manager to

the Offer, SPA Capital Advisors Limited has been empowered to operate the Escrow Account in accordance with the SEBI Buyback Regulations.

- 12.3. SDBA & Co., Chartered Accountants (Firm Registration No.: **142004W**), located at 6th Floor, 'A' Wing, Aurus Chambers, S. S. Amrutwar Marg, Worli, Mumbai - 400 013, signing through their Partner Sanjeev A. Mehta (Membership No.: 041287) vide their certificate dated January 16, 2018 have certified that the Company has adequate and firm financial arrangements to fulfill its obligations for the purposes of Buyback of 8,40,000 Equity shares at Rs. 205/- per Equity share aggregating to Rs. 17,22,00,000/-.
- 12.4. Based on the aforementioned certificate, the Manager to the Buyback Offer confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the SEBI Buyback Regulations.
- 12.5. The Company will, immediately after the date of closure of this Buyback offer, shall deposit in the special account opened with the Escrow Agent, such sum as would together with 90% of the amount lying in the Escrow Account make up the entire sum due and payable as consideration for the Buyback. The Company may transfer the funds from the Escrow Account to the Special Account in accordance with the provisions of Regulation 11 of the SEBI Buy-back Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1. The share capital structure of the company as on the date of the Public Announcement is as follows:

Particulars	Amount (in Rs.)
Authorized Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Issued, Subscribed and Paid-up Capital	
45,00,000 Equity Shares of Rs.10/- each	4,50,00,000

- 13.2. Assuming full acceptance in the Buyback offer, the Share Capital Structure of the Company after the completion of the Buyback Offer would be as follows:

Particulars	Amount (in Rs.)
Authorized Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Issued, Subscribed and Paid-up Capital	
36,60,000 Equity Shares of Rs.10/- each	3,66,00,000

- 13.3. The Company has not undertaken any Buyback of its Equity Shares in the last three years from the date of the meeting of the Board in which the proposal for this Buyback was approved by the Board, i.e. November 28, 2017.
- 13.4. As on the date of Public Announcement, there are no outstanding preference shares, partly paid-up equity shares or outstanding convertible instruments or calls in arrears. Further, there is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.
- 13.5. The Company will not issue any Equity Shares including by way of bonus, from the date of Public Announcement till the date of closure of this Buyback in accordance with Regulation 19(1)(b) of the SEBI Buyback Regulations.
- 13.6. The shareholding pattern of the company pre Buyback, taken as on the record date, i.e. January 25, 2018 and post Buyback shareholding pattern of the Company is as shown below:

Category of Shareholders	Pre Buyback		Post Buyback*	
	No. of Shares	% Holding	No. of Shares	% Holding
Promoters and Promoters Group	32,52,400	72.28	26,97,554	73.70

Category of Shareholders	Pre Buyback		Post Buyback*	
	No. of Shares	% Holding	No. of Shares	% Holding
(collectively “the Promoters”)				
Total Promoters shareholding (A)	32,52,400	72.28	26,97,554	73.70
Foreign Investors (including NRIs, FIIs, FPIs and Others)	3,097	0.07		
Financial Institutions (including Banks and Mutual Funds)	600	0.01	9,62,446	26.30
Other Public Investors (including Individual Investors, Bodies Corporates and Others)	12,43,902	27.64		
Total Public Shareholding (B)	12,47,600	27.72	9,62,446	26.30
Grand Total (A)+(B)	45,00,000	100.00	36,60,000	100.00

*Assuming full acceptance of Equity shares in the Buyback Offer. However, the shareholding pattern post Buyback may differ depending upon the actual number of Equity shares bought back in the Buyback from each category of shareholder.

- 13.7. The Company has 1,507 shareholders as on Record Date i.e. January 25, 2018.
- 13.8. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their entitlement, the aggregate shareholding of the Promoter Group / Persons in Control, post Buyback will [increase] to 73.70% of the post Buyback equity share capital of the Company.
- 13.9. No Equity Shares have been purchased / sold / transferred by any member of the Promoter Group including the Directors of the Companies forming part of the Promoter Group as well as the Persons in Control of the Company during the period of twelve months preceding the date of the Public Announcement.

14. BRIEF INFORMATION ABOUT THE COMPANY

14.1. Elegant Marbles and Grani Industries Limited was incorporated on November 05, 1984 as Elegant Marbles and Grani Industries Private Limited. The company has its registered office at E -7/9, Abu Road, RIICO Industrial Area, Sirohi, Rajasthan, 327026, India. The company got converted into a Public Limited Company on July 11, 1994. The company came out with an Initial Public Offer in the year November, 1994 and subsequently got its shares listed on February 07, 1995 at BSE Limited. The equity shares of the company are currently listed at BSE Limited (Scrip Code: 526705). The Corporate Office of the company is situated at Elegant House, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra- 400013, India.

14.2. The company is primarily engaged in the business of manufacturing, exporting and importing of choicest and exclusive range of quality granites, marbles and allied products. The Company has its showrooms at Vile Parle and Lower Parel, Mumbai. The company is characterized as a lean organization structure, continuous improvement in process efficiencies and optimization of resource utilization. It has been constantly growing at a decent pace and enhancing shareholder’s value every year. The company endeavours to innovate in technology and marketing of its products and has transformed over the period of time by catering to the changing demands and aspirations of its customers through its diverse product portfolio, thus creating a niche for itself in the industry.

For the Financial year ended 31st March, 2017, 2016 and 2015, the company recorded total Revenue from Operations of Rs. 28.22 crores, Rs. 30.26 crores and Rs. 26.60 crores, respectively, and Profit after Tax of Rs. 6.23 crores, Rs. 6.49 crores and Rs. 5.32 crores respectively.

14.3. The details of the changes in Share Capital of the Company since Incorporation as certified by the Company is as follows:

Letter of Offer

Date of Allotment	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up share capital (Rs.)
05-11-1984	200	100	100	Cash	200	20,000
07-01-1985	2,300	100	100	Cash	2,500	2,50,000
15-07-1987	1,000	100	100	Cash	3,500	3,50,000
25-03-1992	7,000	100	100	Cash	10,500	10,50,000
22-02-1993	10,500	100	-	Bonus	21,000	21,00,000
21,000 equity shares of face value of Rs. 100/- per share were sub-divided into 2,10,000 equity shares of face value of Rs. 10/- each on May 24, 1994						
03-06-1994	31,50,000	10	-	Bonus	33,60,000	3,36,00,000
07-02-1995	11,40,000	10	35	Offer to Public in IPO	45,00,000	4,50,00,000

14.4 The details of the Board of Directors of the Company as on the date of the Public Announcement is as follows:

Name, DIN and Age of the Director	Designation	Qualifications	Date of Appointment / Reappointment	Other Directorships
Rajesh Agrawal DIN: 00017931 Age: 55 Years	Chairman & Managing Director	Chartered Accountant (C.A.)	August 01, 2015	<ul style="list-style-type: none"> • Eternal Holdings Private Limited • Madhu Holdings Private Limited • Everfresh Properties LLP - Designated Partner • Peaceful Properties LLP - Designated Partner • Everlasting Properties LLP - Designated Partner • Alka Granites LLP - Designated Partner • Elegant Financial Services LLP – Designated Partner
Rakesh Agrawal DIN: 00017951 Age: 53 Years	Managing Director	Bachelor of Commerce (B.Com)	October 01, 2015	<ul style="list-style-type: none"> • Eternal Holdings Private Limited • Madhu Holdings Private Limited • Everfresh Properties LLP – Designated Partner • Peaceful Properties LLP - Designated Partner • Everlasting Properties LLP - Designated Partner • Alka Granites LLP - Designated Partner • Ware Innovations LLP - Designated Partner • Elegant Financial Services LLP - Designated Partner

Name, DIN and Age of the Director	Designation	Qualifications	Date of Appointment / Reappointment	Other Directorships
Ram Chawla DIN: 00017992 Age: 74 Years	Independent & Non-Executive Director	B.Sc (Eng.) & GD (Architect)	September 24, 2014	<ul style="list-style-type: none"> Chawala Architects and Consultants Private Limited Radhka Leasing Pvt Ltd Sehaj Impex Private Limited DHK Investment Company (Pvt. Company with Unlimited Liability)
Raj Kumar Mittal DIN:00020255 Age: 73 Years	Independent & Non-Executive Director	B.Com. (Hons), F.C.A.	September 24, 2014	<ul style="list-style-type: none"> CS Enterprises Private Limited Vithal Traders and Consultants Private Limited Mumbai Vaish Seva Sansthan (a Non-Govt Company)
Om Prakash Singal DIN: 02585264 Age: 71 Years	Independent & Non-Executive Director	BA (Hon's), LLB, CAIIB(FIIB), ACS (inter)	May 09, 2015	<ul style="list-style-type: none"> Sakuma Exports Limited
Yogita Agrawal DIN:06965966 Age: 24 Years	Non-Executive & Women Director	Bachelor of Fine Arts (Product Design) at Parsons, New York	September 24, 2014	<ul style="list-style-type: none"> Ware Innovations LLP – Designated Partner Khello Khillo Design LLP - Designated Partner

14.5 Changes in the Board of Directors of the Company during the last three years;

Name of the Director	Appointment / Resignation/Retirement/Cessation	Effective Date	Reasons
Shri Rajesh Agrawal	Appointment	August 01, 2015	Re-appointment as Chairman and Managing Director of the Company
Shri Rakesh Agrawal	Appointment	October 01, 2015	Re-appointment as Managing Director of the Company
Shri Raj Kumar Mittal	Appointment	October 01, 2014	Appointment as a Independent Director of the Company
Shri Radhe Shyam Agrawal	Appointment	October 01, 2014	Appointment as a Independent Director of the Company
Shri Radhe Shyam Agrawal	Resignation	March 17, 2015	Resignation from the Independent Directorship of the Company on personal grounds
Shri Om Parkash Singal	Appointment	May 09, 2015	Appointment as a Independent Director of the Company
Shri Ram Chawla	Appointment	October 01, 2014	Appointment as a Independent Director of the Company

Ms. Yogita Agrawal	Appointment	September 24, 2014	Appointment as a Non-Executive and Non-Independent Woman Director of the Company
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- 14.6 The Buyback will not result in any benefit to any Director of the Company or to the Promoter Group of the Company except to the extent of their intention to participate in the Buyback, including any Additional Shares tendered, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share capital post Buyback.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

- 15.1 The salient financial information of the Company as extracted from the Audited / Unaudited Standalone Financial Statements for the last three financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 and for the six months period ended September 30, 2017 are as given below:

Particulars	(Rs. in Lakh)			
	For Six months period ended September 30, 2017 [#] (Unaudited)	Financial Year ended March 31, 2017 (Audited)	Financial Year ended March 31, 2016 (Audited)	Financial Year ended March 31, 2015 (Audited)
Equity Share Capital	450.00	450.00	450.00	450.00
Reserves and Surplus	9,712.08	6,500.50	5,877.19	5,336.79
Less: Other Comprehensive Income	2,551.60	-	-	-
Net worth*	7,610.48	6,950.50	6,327.19	5,786.79
Total Debt	-	-	-	-
Total Income ⁽¹⁾	1,310.01	3,489.97	3,727.68	3,216.31
Total Expenses excluding Depreciation, Interest, Tax	1,044.86	2,670.24	2,912.94	2,577.64
Profit before Depreciation, Interest and Tax	265.15	819.73	814.74	638.67
Interest	-	-	-	-
Depreciation	8.14	19.04	20.21	21.01
Profit before Tax	257.01	800.69	794.53	617.66
Tax Expense	51.47	177.38	145.47	85.21
Profit after Tax	205.54	623.31	649.06	532.45

(1) Total income including other income and exceptional items.

*Networth of the company is computed as a sum of Equity Share Capital and Free Reserves (as defined under section 2(43) of the Companies Act, 2013).

[#]The figures for the six months period ended September 30, 2017 are Unaudited and are given in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

Key Financial Ratios

Particulars				
	For Six months period ended September 30, 2017 [#] (Unaudited)	Financial Year ended March 31, 2017 (Audited)	Financial Year ended March 31, 2016 (Audited)	Financial Year ended March 31, 2015 (Audited)
Earnings per Share (EPS)- Basic and Diluted (Rs.) ⁽¹⁾	4.57	13.85	14.42	11.83
Book Value Per Share (Rs.) ⁽²⁾	169.12	154.46	140.60	128.60
Return on Networth (%) ⁽³⁾	2.70	8.97	10.26	9.20

Debt / Equity Ratio ⁽⁴⁾	-	-	-	-
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Note: Below are the formulae used for computation of the above ratios:

- (1) Earnings per Share = Profit After Tax/ Average Number of Shares outstanding for the period
- (2) Book value per Share = Net Worth (excluding Other Comprehensive Income)/ Number of Shares at the end of the period
- (3) Return on Net Worth = Profit After Tax/ Net Worth (excluding Other Comprehensive Income)
- (4) Debt-Equity Ratio = Total Debt/ Net Worth (excluding Comprehensive Income)

- 15.2 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with sections 68, 69 and 70 of the Companies Act and the Companies (Share Capital and Debentures) Rules, 2014.

16. STOCK MARKET DATA

- 16.1 The Equity Shares of the Company are currently listed and traded at BSE.
- 16.2 The closing market price of the Equity Shares as on November 21, 2017, being the working day immediately preceding the date of intimation to BSE for the Board Meeting to consider the proposal of the Buyback, was Rs. 167.90 on BSE.
- 16.3 The closing market price of the equity shares at BSE as on the working day previous to the day the Board of Directors of the company approved the proposal for the Buyback offer i.e. November 27, 2017, was Rs. 197.35 per share.
- 16.4 The high, low and average market price in the preceding three financial Years (April to March period) and the monthly high, low and average market price for the six months preceding the month in which Public Announcement given and the corresponding volumes on BSE is set out below:

Period	High			Low			Average Price per share (Rs.)	No. of shares traded in the period
	Price per share (Rs.)	Date	No. of shares traded	Price per share (Rs.)	Date	No. of shares traded		
Preceding 3 Years								
FY 2016-17	163.80	11-07-2016	1,66,084	90.35	05-05-2016	200	104.62	11,91,407
FY 2015-16	130.00	10-08-2015	12,944	52.00	16-06-2015	3,609	85.02	7,14,958
FY 2014-15	158.10	18-02-2015	1,60,245	32.20	12-05-2014	600	63.21	16,60,495
Preceding 6 Months								
December 2017	210.00	18-12-2017	13,264	190.00	18-12-2017	13,264	196.14	57,204
November 2017	208.70	24-11-2017	1,009	146.00	14-11-2017	177	171.12	20,294
October 2017	169.90	23-10-2017	302	141.00	23-10-2017	302	160.08	8,257
September 2017	171.00	12-09-2017	1,776	140.00	25-09-2017	1,155	161.65	12,785
August 2017	163.80	17-08-2017	451	147.10	10-08-2017	1,010	157.92	8,491
July 2017	171.00	13-07-2017	3,601	150.00	04-07-2017	380	158.48	29,570

(Source: www.bseindia.com)

For the purpose of aforesaid tables:

- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares of our Company for the year, or the month, as the case may be
- Average Price is the arithmetic average of the weighted average prices available for all trading days during the given period
- In case of two days with the same high / low, the date with higher volume has been considered

17. DETAILS OF STATUTORY APPROVALS

- 17.1 The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, the SEBI Buyback Regulations, SEBI and/or such other applicable rules and regulations in force.
- 17.2 Buyback from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Indians (“NRI”) and erstwhile Overseas Corporate Bodies (“OCB”) must obtain all approvals required to tender the Equity Shares held by them in this Buyback (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 such approvals along with the Tender Form, so as to enable them to tender equity shares in the Buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholder in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholder in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted. The Company will make due compliances of applicable rules and regulations under FEMA Regulations.
- 17.3 As on date, there are no other statutory or regulatory approvals required to implement the Buyback, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback, if any, shall be intimated to the Stock Exchanges.
- 17.4 The Buyback has been approved by the Board of Directors in their meeting held on November 28, 2017 and by the Shareholders through postal ballot, the results of which were declared on January 15, 2018.

18. DETAILS OF REGISTRAR AND SHARE TRANSFER AGENT TO THE BUYBACK OFFER

Eligible Persons who wish to tender their Equity Shares in the Buyback Offer can send Tender Form and TRS generated by the Exchange Bidding System along with all the relevant documents, by registered post/ speed post/ courier or through hand delivery, at their own risk, by super scribing the envelope as “**Elegant Marbles and Grani Industries Limited - Buyback Offer 2017**”, to the Registrar to the Buyback at their below office, so that the same are received with 2 (two) days from the closing date, by Tuesday, March 20, 2018 (by 5:00 P.M).

In case of query, the shareholders may contact the registrar during working hours i.e. 10 am and 5 pm all working days except Saturday, Sunday and public holidays.

The contact details of the Registrar, so appointed by the Company for the Buyback offer is given below:

Name	Universal Capital Securities Pvt. Ltd.
Address	21/25, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Maharashtra, India
Phone	Tel. No.: +91 22 2820 7203
Fax	Fax No.: +91 22 2820 7207
Email	info@unisec.in
Contact Person	Mr. Ravindra Utekar
SEBI Registration No.	SEBI Regn. No.: INR000004082
Validity of Registration	April 17, 2020

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

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company proposes to Buyback 8,40,000 (Eight Lakh Forty Thousand Only) Equity Shares from all the existing Shareholders / beneficial owners of Equity Shares of the Company, on a proportionate basis, through the Tender Offer route at a price of Rs.205/- (Rupees Two Hundred and Five Only) per Equity Share, payable in cash for an aggregate amount of Rs.17,22,00,000/- (Rupees Seventeen Crores Twenty Two Lakh Only), excluding transaction cost, viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. The number of Equity Shares proposed to be bought back represents 18.67% of the total number of equity shares in the present issued and paid-up equity share capital of the Company. The Buyback is in accordance with Article 56 of the Articles of Association of the Company and subject to the provisions of Section 68 and all other applicable provisions, if any, of the Companies Act and in compliance with SEBI Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, BSE etc. The Shareholders approved the Buy-back, by way of a special resolution, through postal ballot, the results of which were announced on January 15, 2018. The Buyback Offer Size represents 24.78% of the fully paid-up equity share capital and free reserves as per the latest audited accounts of the Company for the financial year ended March 31, 2017.
- 19.2 The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.
- 19.3 The aggregate shareholding of the Promoters / Promoter Group is 32,52,400 Equity Shares, which represents 72.28% of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the promoters of a company have the option to participate in the buyback. In this regard, the promoter entities as listed in paragraph 6.5 of this Letter of Offer have expressed their intention, vide their letter dated November 28, 2017 to participate in the Buyback and offer upto an aggregate maximum of 11,00,000 Equity Shares or such lower number of Equity Shares as required in compliance with the Buyback Regulations / terms of the Buyback.
- 19.4 Assuming response to the Buyback Offer is to the extent of 100% from all the Shareholders upto their entitlement (full acceptance), post Buyback the aggregate shareholding of the Promoters / Promoter Group will [decrease] to 26,97,554 Equity Shares, representing 73.70% of the post Buyback equity share capital of the Company i.e. an [increase] of 1.42% from their present holding of 72.28% of the pre Buyback equity share capital of the Company.
- 19.5 **Record Date, Ratio of Buyback and Buyback Entitlement of each Category of Shareholder:**
- 19.5.1 The Buyback Committee in its meeting held on January 15, 2018 announced Thursday, January 25, 2018 as the Record Date for the purpose of determining the entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.
- 19.5.2 The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
- Reserved category for Small Shareholders (“Reserved Category”); and
 - General category for all Shareholders other than Small Shareholders (“General Category”)
- 19.5.3 As defined in the SEBI Buyback Regulations, a “Small Shareholder” is a Shareholder who holds Equity Shares having market value, on the basis of closing price on BSE as on Record Date, of not more than Rs. 2,00,000 (Rupees Two Lakh Only). As on the Record Date, the closing price on BSE was Rs. 193.90 per Equity Share, accordingly all Shareholders holding not more than 1,031 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of this Buyback Offer.
- 19.5.4 Based on the above definition, there are 1,437 Small Shareholders with aggregate shareholding of 3,14,735 Shares, as on the Record Date, which constitutes 6.99% of the outstanding Paid up equity share capital of

the Company and 37.47% of the number of Equity Shares which are proposed to be bought back as part of this Buyback.

19.5.5 In compliance with Regulation 6 of the SEBI Buyback Regulations, the reservation for the Small Shareholders, will be 1,26,000 Equity Shares (“**Reserved Portion**”) which is higher of:

- i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback, i.e. 15% of 8,40,000 Equity shares, which works out to 1,26,000 Equity Shares; or
- ii. The number of Equity Shares entitled as per their shareholding as on Record Date, [i.e. $3,14,735 / 45,00,000 \times 8,40,000$] which works out to be 58,751 Equity Shares.

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

19.5.6 Accordingly, General Category for all other Equity Shareholders shall consist of 7,14,000 Equity Shares (the “**General Portion**”).

19.5.7 Based on the above, the Buyback Entitlement ratio for both categories is decided as below:

Category of Shareholders	Entitlement Ratio of Buyback*
Reserved category for Small Shareholders	237 Equity Shares for every 592 Equity Shares held on the Record Date
General category for all other Eligible Shareholders	123 Equity Shares for every 721 Equity Shares held on the Record Date

*The above ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio of Buy-back may provide a slightly different number due to rounding-off. The actual Buyback entitlement for Reserved category for Small shareholders is 40.033679127% and for General category for all other Eligible shareholders is 17.059851646%.

19.6 **Fractional Entitlements**

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold 2 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 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**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Equity Shares tendered in the Buyback 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 Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less.
- b) Post the Acceptance as described paragraph 19.7 (a), in case there are any Equity Shares left to be bought back from Small Shareholders in Reserved Category, the Small Shareholders who were entitled to tender Zero Equity Shares (on account of ignoring the fractional entitlement) and have tendered

Additional Equity Shares as a part of the Buyback shall be given preference and one Equity Share each from the Additional Equity Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.

- c) Post the Acceptance as described in paragraph 19.7 (a) and (b), in case, there are Equity Shares left to be bought back in the Reserved category and there are any validly tendered unaccepted Equity Shares in the Reserved Category (“**Reserved Category Additional Shares**”), the Reserved Category Additional Shares shall be accepted in a proportionate manner and the Acceptance shall be made in accordance with the SEBI Buyback Regulations, i.e. valid Acceptance per Shareholder shall be equal to the Reserved Category Additional Shares by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with the clause above, shall be reduced by one.
- d) **Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.7 (c), will be made as follows:**
 - 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 one and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - ii. For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

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

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

- a. Acceptance of 100% Equity Shares from other Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- b. Post the Acceptance as described in 19.8 (a), in case there are any Equity Shares left to be bought back in the General Category, and there are validly tendered Additional Shares in the General Category (“the **General Category Additional Shares**”), the General Category Additional Shares shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptance per shareholder shall be made in accordance with the SEBI Buyback Regulations, i.e. valid Acceptance per shareholder shall be equal to the General Category Additional Equity Shares validly tendered by the Eligible Shareholders divided by the total General Category Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares remaining to be Accepted in General Category.
- c. **Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.8 (b), will be made as follows:**
 - i. For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - ii. For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.9 **Basis of Acceptance of Equity Shares between the two categories**

- a) In the event the Equity Shares tendered by the Small Shareholders in accordance with the process set out under the section entitled “*Basis of Acceptance of Equity Shares validly tendered in the Reserved Category*” is less than the Reserved Portion, Additional Equity Shares tendered by the Eligible Shareholders in the General Category over and above their Buyback Entitlement shall, in accordance with the Regulations, be accepted in proportion of the Additional Equity Shares tendered by them i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by an Eligible Shareholder in the General Category divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the Additional Equity Shares that can be accepted due to shortfall in the Reserved Portion.
- b) In the event the Equity Shares tendered by the Eligible Shareholders in the General Category in accordance with the process set out under the section entitled “*Basis of Acceptance of Equity Shares validly tendered in the General Category*” is less than the General Portion, Additional Equity Shares tendered by the Eligible Shareholders in the Reserved Category over and above their Buyback Entitlement shall, in accordance with the Regulations, be Accepted in proportion of the Additional Equity Shares tendered by them i.e. valid Acceptance per shareholder shall be equal to the Additional Equity Shares validly tendered by an Eligible Shareholder in the Reserved Category divided by the total Additional Equity Shares validly tendered in the Reserved Category and multiplied by the Additional Equity Shares that can be accepted due to shortfall in the General Portion.
- c) In case there is any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before Acceptance as mentioned above in paragraph 19.9 (b), out of the Shares left to be bought back in the General Category, provided no Acceptance could take place from such Shareholder in accordance with the paragraph 19.7 entitled “*Basis of Acceptance of Equity Shares validly tendered in the Reserved Category*”.
- d) **Adjustment for fractional results in case of proportionate acceptance as described in the above paragraph:**
 - i. For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - ii. For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one 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, in accordance with the clauses above:**

- (a) **Equity Shares accepted under the Buyback from each Eligible Shareholder, shall be lower of the following:**
 - the number of Equity Shares tendered by the respective Shareholder, or
 - the number of Equity Shares held by the respective Shareholder, as on the Record Date
- (b) **Equity Shares tendered by any Shareholder over and above the number of Equity Shares held by such Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.**

20. **PROCEDURE FOR TENDER OFFER AND SETTLEMENT**

- 20.1. The Buyback is open to all Eligible Equity Shareholders / beneficial owners of the company holding Equity Shares either in physical and/or and dematerialized form on the Record Date.

- 20.2. The Company proposes to effect the Buyback through a Tender Offer route, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed/dispatched to the Eligible Shareholders. The Eligible Shareholder(s) which have registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholder(s) 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 20.9 later on.
- 20.3. The Company will not accept any Equity Shares offered in the Buyback which are under any restraint order of a court for transfer/sale of such Equity Shares. In accordance with Regulation 19(5) of the Buyback Regulations, the Company shall not Buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- 20.4. Eligible Shareholders will have to transfer their Equity Shares from the same demat account in which they were holding such 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 Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback.
- 20.5. As disclosed in Paragraph 19 (Process and Methodology for the Buyback) above, the Equity Shares proposed to be bought as a part of the Buyback are divided into 2 (two) categories; (i) Reserved Category for Small Shareholders, and (ii) the General Category for other Eligible Shareholders; and the Buyback Entitlement of an Eligible Shareholders in each category shall be calculated accordingly.
- 20.6. After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in any other category.
- 20.7. Eligible Shareholders' participation in the Buyback is voluntary. Eligible Shareholders may choose to participate, in part or in full, and receive cash in lieu of the Equity Shares accepted under the Buyback, or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buyback, without any additional investment. Eligible Shareholders may also tender a part of their Buyback Entitlement. Eligible Shareholders also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. The Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of procedure outlined herein.
- 20.8. The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by such Eligible Shareholder as on the Record Date.
- 20.9. The Buyback shall be implemented by the company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and following the procedure prescribed in the Act, the Buyback Regulations and as may be determined by the Board (including the committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

THE NON-RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE SAME TO PARTICIPATE IN THE BUYBACK, SHALL NOT INVALIDATE THE BUYBACK OFFER IN ANY WAY.

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

• **In case the Eligible Shareholder holds Equity Shares in dematerialised form:**

If Eligible Shareholder(s) who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the company i.e. www.elegantmarbles.com or from the website of the Registrar i.e. www.unisec.in, or by providing his / her / its application in writing on a plain paper, signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback.

• **In case the Eligible Shareholder holds Equity Shares in physical form:**

An Eligible Shareholder may participate in the Buyback by providing his / her / its application in writing on a plain paper signed by all Eligible Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback not later than 2 (two) days from the Buyback Closing Date i.e. by Tuesday, March 20, 2018 (by 5 p.m.). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such Tender Forms are liable to be rejected under this Buyback.

20.11. Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective stock brokers ("**Seller Member(s)**") (along with the complete set of documents for verification procedures in case of Equity Shares held in physical form) and have to ensure that their bid is entered by their respective Seller Member(s) in the electronic platform to be made available by BSE before the Buyback Closing Date.

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

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

20.14. For implementation of the Buyback, the Company has appointed SPA Securities Limited as the registered brokers to the Company (referred to as "**Company's Broker**") to facilitate the process of tendering of Equity Shares through the stock exchange mechanism for the Buyback and through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Brokers are as follows:



SPA Securities Limited
101-A, 10th Floor, Mittal Court,
Nariman Point, Mumbai- 400021,
Maharashtra, India
Tel. No. +91 22 2280 1240
Fax No. +91 22 2202 1466
Contact Person: Ms. Swati Goyal

- 20.15. **BSE** has been appointed as the “**Designated Stock Exchange**” to provide a separate “**Acquisition Window**” to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by the Designated Stock Exchange, from time to time.
- 20.16. In the event Seller Member of any Eligible Shareholder is not registered with BSE as trading member / stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register himself by using quick unique client code (UCC) 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 Shareholder is unable to register himself by using quick UCC facility through any other BSE registered stock broker, then that Eligible Shareholder may approach the Company’s Broker, viz. SPA Securities Limited, to register himself by using quick UCC facility.
- 20.17. All Eligible Shareholders, through their respective Seller Member(s) will be eligible and responsible to place orders in the Acquisition Window. All Eligible Shareholders can enter orders for Equity Shares in demat form as well as Equity Shares in physical form.
- 20.18. 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 shall be placed by the Eligible Shareholders through their respective Seller Member(s) during normal trading hours of the secondary market.
- 20.19. Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period. Multiple bids made by a single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as ‘one’ bid for the purposes of Acceptance.
- 20.20. The cumulative quantity tendered shall be made available on BSE website (www.bseindia.com) throughout the Tendering Period, and will be updated at specific intervals during the Tendering Period.
- 20.21. 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.
- 20.22. Procedure to be followed by Eligible Shareholders holding Equity Shares in dematerialised form:**
- I. Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Seller Member(s) by indicating to such Seller Member(s) the details of Equity Shares they intend to tender under the Buyback.
 - II. The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholder(s) who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Designated Stock Exchange. It is mandatory to transfer the tendered Equity Shares into the account of Indian Clearing Corporation Limited (referred to as the “**Clearing Corporation**”) by the Eligible Shareholder through the early pay-in mechanism of the Depositories prior to placing the order/bid on the Designated Stock Exchange’s IBBS platform by the Seller Member. For further details, Eligible Shareholders may refer to the circulars issued by BSE/Clearing Corporation.
 - III. The details of the settlement number under which the Equity Shares are to be transferred in the account of

Clearing Corporation for the Buyback will be provided in a separate circular to be issued by the Clearing Corporation.

- IV. For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours (i.e. by 3:30 p.m. IST) on the last day of the Tendering Period i.e. the Buyback Closing Date. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification by the concerned Seller Member shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- V. Upon placing the bid, the Seller Member shall provide a TRS generated by the Designated Stock Exchange's bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted such as Bid ID No., Application No., DP ID, Client ID, number of Equity Shares tendered etc.
- VI. Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
 - (i) Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
 - (ii) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and
 - (iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- VII. In case of demat Equity Shares, submission of Tender Form and TRS is not required. 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 Eligible Shareholders holding Equity Shares in demat form.
- VIII. The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.

20.23. Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form:

- I. Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out including the (i) original Equity Share certificate(s), (ii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, (iv) the Tender Form (duly signed by all Eligible Shareholders in case the Equity Shares are in joint names) the same order in which they hold Equity Shares, and (v) any other relevant documents such as, but not limited to, duly attested power of attorney in case person other than the Eligible Shareholders has signed the Tender Forms, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- II. Based on the documents as mentioned in clause I of paragraph 20.23 herein above, the concerned Seller Member shall place the bid on behalf of Eligible Shareholders holding Equity Shares in physical form using

the Acquisition Window of the Designated Stock Exchange. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted like folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.

- III. The Seller Member / Eligible Shareholder is required to deliver the original Equity Share certificate(s) and documents (as mentioned in clause I of paragraph 20.23) along with TRS either by registered post or courier or hand delivery to Registrar to the Buyback, at its office provided in Paragraph 18 herein above, within 2 (two) days from the Buyback closing date i.e. by Tuesday, March 20, 2018 (by 5:00 p.m.). The envelope should be super scribed as **“Elegant Marbles and Grani Industries Limited - Buyback Offer 2017”**. One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Seller Member / Eligible Shareholder.
- IV. Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such time the Designated Stock Exchange shall display such bids as ‘unconfirmed physical bids’. Once the Registrar to the Buyback confirms the bids it will be treated as ‘Confirmed Bids’.
- V. All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company’s equity share certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company / Registrar of the Company.
- VI. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date.

20.24. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders:

- I. Eligible Shareholders, being Non-Resident Shareholders (excluding FIIs/FPIs) should also enclose a copy of the permission received by them from the RBI, if applicable, to acquire the Equity Shares held by them in the Company.
- II. In case the Equity Shares are held on repatriation basis, the Eligible Shareholder, being a Non-Resident Shareholder, should obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by such Eligible Shareholder, from the appropriate account as specified by RBI in its approval. In case the Eligible Shareholder, being a Non-Resident Shareholder, is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis, and in that case, the 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 Buyback.
- III. If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered by Eligible Shareholders, being Non-Resident Shareholders, under the Buyback are liable to be rejected.

20.25. Acceptance of orders

The Registrar to the Buyback shall provide details of order acceptance to Clearing Corporation within specified time lines.

20.26. Method of Settlement

- I. Upon finalization of the basis of Acceptance as per the Buyback Regulations, the settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- II. The Company will transfer the consideration pertaining to the Buyback to the Clearing Corporation's bank account through the Company's Brokers as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders. If bank account details of any Eligible Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or relevant Bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Members' for onward transfer to the such Eligible Shareholder holding Equity Shares in dematerialized form.
- III. In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
- IV. For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- V. The Equity Shares bought back in the dematerialized form would be transferred directly to the escrow account of the Company ("**Company Demat Escrow Account**") provided it is indicated by the Company's Brokers or it will be transferred by the Company's Brokers to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
- VI. Excess Equity Shares or unaccepted Equity Shares, in dematerialised form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account within stipulated time period, as part of the exchange payout process. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Shareholder.
- VII. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance / rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in the physical form.
- VIII. The Seller Member would issue contract note for the Equity Shares accepted under the Buyback. The Company's Brokers would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- IX. Equity Shareholders who intend to participate in the Buyback should consult their respective Seller

Member for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling Eligible Shareholder for tendering Equity Shares in the Buyback (secondary market transaction). The Managers to the Buyback and the Company accept no responsibility to bear or pay any additional cost, applicable taxes, charges and expenses (including brokerage) levied by the Seller Member, and such costs will be incurred solely by the Eligible Shareholders.

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

20.27. Rejection Criteria

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

For Eligible Shareholders holding shares in the dematerialized form if:

- a) The Shareholder is not a Eligible Shareholder of the Company as on the Record Date;
- b) If there is mismatch in the name (s) of holders/ order of the names in demat account from where shares are tendered and in the demat account as of Record Date;
- c) Shares tendered over and above the holding as on the Record Date.

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

- a) If the original share certificate(s) is/ are not enclosed or any other company's equity share certificate(s) are enclosed with the Tender Form instead of the Equity Share Certificate(s) of the Company;
- b) If the transmission of Equity Shares is not completed and the Equity Shares are not in the name of the Eligible Shareholders;
- c) If the Eligible Shareholders has bid the Equity Shares but the Registrar to the Buyback does not receive the Equity Share Certificate(s)/ does not receive the Equity Share Certificate(s) within 2 (two) days from the Closing Date i.e. by Tuesday, March 20, 2018 (by 5:00 PM);
- d) In case the signature in the Tender Form and Form SH-4 does not match as per the specimen signatures recorded with Company/ Registrar of the Company;
- e) In case the transfer form –SH4 is not witnessed;
- f) Shares tendered over and above the holding as on the Record Date.

21. NOTE ON TAXATION

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

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING 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 SUCH ADVICE.

Given below is a broad summarization of the applicable sections of the Income Tax Act relating to treatment of income-tax in case of Buyback of listed equity shares on the stock exchange, which is provided only as guidance.

1. CLASSIFICATION OF SHARES AND SHAREHOLDERS

1.1. Based on the provisions of the IT Act, shares can be classified under the following two categories:

- Shares held as investment (Income from transfer taxable under the head “Capital Gains”)
- Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains from Business or Profession”) (reference Circular No 6/2016 dated 29th February, 2016)

1.2. Based on the provisions of the IT Act shareholders can be classified under the following categories:

1.2.1. Resident Shareholders being:

- Individuals, HUF, AOP and BOI
- Others

1.2.2. Non Resident Shareholders being:

- NRIs
- FIIs/FPIs
- Others
- Company
- Other than Company

2. SHARES HELD AS INVESTMENT

2.1. For non-residents, taxability of capital gains would be subject to beneficial provisions of the applicable Double Taxation Avoidance Agreement (‘DTAA’).

2.2. The taxability as per the provisions of the Act is discussed below.

2.2.1. Nature of capital gains as per the provisions of the Act

As per the provisions of the Act, for the purpose of determining as to whether the capital gains are short-term or long-term in nature:

- Where a capital asset, being listed equity shares of the Company being bought back, is held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short-term capital asset, and the gains arising therefrom shall be taxable as short-term capital gains (STCG).
- Similarly, where listed equity shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a long-term capital asset, and the gains arising therefrom shall be taxable as long-term capital gains (LTCG).

2.2.2. Capital gains on Buyback of shares are governed by the provisions of section 46A of the Income Tax Act. As per the provisions of section 46A, Buyback of shares held as investment, would attract capital gains in the hands of shareholders as per provisions of section 48 of the Income Tax Act, the difference between the cost of acquisition and the value of consideration received by the shareholders shall be deemed to be the capital gains in the Year in which such shares were purchased (i.e. Buyback, in this case) by the company.

Buyback of shares listed on a recognized stock exchange

2.3. Where transaction for transfer of such equity shares (i.e. Buyback, in this case) is entered into through a recognized stock exchange and such transaction is chargeable to Securities Transaction Tax (STT), the taxability is as under (for all categories of shareholders):

- LTCG arising from such transaction would be exempted under section 10(38) of the Income Tax Act, provided the shareholder had paid securities transaction tax on acquisition of the shares. However, the Finance Act, 2017 has amended section 10(38) of the Income Tax Act to provide that the exemption under section 10(38) shall not apply to any income arising from the transfer of a long-term capital asset, being an equity share of a company, if the transfer of acquisition, other than acquisitions as notified by the Central Government, has been entered on or after October 1, 2004 and such transactions has not

been charged to securities transaction tax ('STT') under Chapter VII of the Finance (No. 2) Act, 2004 and in this regard the Central Government has issued a Notification no. F.No.43/2017/F.No.370142/09/2017-TPL dated June 5, 2017.

Further, please note that the Finance Bill, 2018 which was presented on February 1, 2018 proposes to levy a tax of 10% on long term capital gains exceeding Rs. 1,00,000/- (subject to grandfathering of all gains upto 31.01.2018) on transactions which are undertaken on or after April 1, 2018. However, this proposal would be effective only after approval of the same by the Indian Parliament.

- STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, without any restriction on the mode of acquisition.

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

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

- In case of foreign companies and FIIs: Surcharge @ 5% is leviable where the total income exceeds INR 10 crores and @ 2% where the total income exceeds INR 1 crore. Education Cess @ 2% and Secondary and Higher Education Cess @ 1% is leviable in all cases.
- In case of other non-resident assesseees (i.e. other than foreign companies): Surcharge @ 12% is leviable where the total income exceeds INR 1 crore. Further, Education Cess @ 2% and Secondary and Higher Education Cess @ 1% is leviable in all cases.
- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds INR 10 crores and @ 7% where the total income exceeds INR 1 crore is leviable in all cases. Further Education Cess @ 2% and Secondary and Higher Education Cess @ 1% is leviable in all cases.
- In case of resident assesseees (i.e. other than domestic companies): Surcharge @ 12% is leviable where the total income exceeds INR 1 crore. Also, Education Cess @ 2% and Secondary and Higher Education Cess @ 1% is leviable.
- All the above rates (especially for non-residents) are to be read subject to the provisions of Section 206AA of the Act.

3. SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the Shareholders of the Company, then the gains would be characterized as business income. In such a case, the provisions of section 46A of the Income Tax Act would not apply.

3.1. Resident Shareholders

- For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- For a domestic company, gain arising from transfer of shares held as stock in trade will be chargeable under the head "Profit and gains of business or profession" as per the provision of Act. Surcharge, Education and Secondary Higher Education cess will be applicable as specified above in paragraph 2.3.
- For persons other than stated in (a) and (b) above, profits would be taxable @ 30%.

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

3.2. Non Resident Shareholders

- For Non Residents, taxability of profits as business income would be subject to beneficial provisions of applicable DTAA.
- Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
- For foreign companies, profits would be taxed in India @ 40%
- For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%
- There is a separate chapter dealing with the taxability of FIIs

In addition to the above, in the case of foreign companies and FIIs, Surcharge, Education and Secondary Higher Education Cess will be applicable as specified above in paragraph 2.3.

4. TAX DEDUCTION AT SOURCE

4.1. In case of Resident Shareholders

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

4.2. In case of Non-resident Shareholders

Since the Buyback is through the stock exchange, the responsibility of discharge of the tax due on the gains, if any, is on the non-resident shareholder. Further, the non-resident shareholder shall keep the company indemnified against any tax liability arising on the Company as a result of any income earned on such Buyback of shares by the Company.

5. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

22. DECLARATION BY THE BOARD OF DIRECTORS

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

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. November 28, 2017:

- i. There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years; and
- ii. That immediately following the date of this Board Meeting, and the date on which the results of the Postal Ballot will be declared, approving the Buy Back, there will be no grounds on which the Company could be found unable to pay its debts;
- iii. That as regards the Company's prospects for the year immediately following the date of this Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot or e-voting will be declared, approving the Buy Back, having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy Back or within a period of one year from the date on which the results of the Postal Ballot or e-voting will be declared, as the case may be; and
- iv. In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company was being wound up under the provisions of the Companies Act.

For and on behalf of the Board of Directors of Company

Sd/-
Rajesh Agrawal
Chairman & Managing Director
DIN: 00017931

Sd/-
Rakesh Agrawal
Managing Director
DIN: 00017951

23. **AUDITORS' CERTIFICATE**

Report addressed to the Board by the Company's Statutory Auditors on the permissible capital payment

The text of the Report dated November 28, 2017 received from M/s SDBA & Co., 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
Elegant Marbles and Grani Industries Limited
Elegant House, Raghuvanshi Mills Compound
SenapatiBapatMarg, Lower Parel (West)
Mumbai, Maharashtra - 400013, India

Statutory Auditor's Report in respect of proposed buy-back of equity shares by Elegant Marbles and Grani Industries Limited("the Company") in terms of clause (xi) of Part A of Schedule II of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended)("Buy Back Regulations").

1. This report is issued in accordance with our status as Statutory Auditors of the Company. The Board of Directors of the Company have approved a proposed buy-back of Equity Shares by the Company at its meeting held on 28th November 2017, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") and the Buyback Regulations.
2. The accompanying Statement of permissible capital payment (including premium) ('Annexure A') as at 31 March 2017 (hereinafter referred together as the "Statement") is prepared by the management, which we have initialed for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including 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

4. Pursuant to the requirements of the SEBI Buyback 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 standalone financial statements as at and for the year ended 31 March 2017;
 - (ii) if the amount of the permissible capital payment for the proposed buy-back of equity shares is properly determined considering the audited standalone financial statements for the year ended 31 March 2017; and
 - (iii) if the Board of Directors in their meeting dated November 28, 2017, have formed the opinion as specified in clause (x) of Schedule II to the SEBI Buyback Regulations, as amended on reasonable

grounds and 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. The standalone financial statements referred to in paragraph 4 above, have been audited by us, on which we issued an unmodified audit opinion, vide our report dated May 26, 2017. Our audit of these financial statements was conducted in accordance with the Standards on Auditing (“Standards”) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (“ICAI”). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for special purposes issued by the ICAI (“Guidance Note”). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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
8. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion

9. Based on enquiries conducted and our examination as above, we report as follows:
 - (i) We have enquired into the state of affairs of the Company in relation to its audited Standalone Financial Statements as at and for the year ended 31st March 2017 which has been approved by the Board of Directors of the Company on 26th May 2017.
 - (ii) The Board has proposed to buyback the Company’s equity shares upto an aggregate amount of Rs. 17,22,00,000 (Rupees Seventeen Crore Twenty Two Lakh Only)/- (“Buyback Offer Size”) at a price of Rs. 205/- (Rupees Two Hundred Five Only) per equity share (“Buyback Price”). The amount of permissible capital payments towards buyback of equity shares as stated in Annexure A, has been properly determined in accordance with Section 68(2)(c) of the Act.
 - (iii) The Board of Directors in their meeting held on 28th November 2017 have formed their opinion, as specified under Clause (x) of Part A of Schedule II of the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
10. We are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on use

11. This report has been issued at the request of the Company solely for use of the Company in relation to;
 - (i) filing information in the explanatory statement to the notice for special resolution and in connection with the proposed buy-back of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities

Letter of Offer

Depository Limited and (iii) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For SDBA & Co
Chartered Accountants
Firm's Registration No: **142004W**

Sanjeev A. Mehta
Partner
Membership No: **041287**

Place: **Mumbai**
Date: **November 28, 2017**

Annexure A

Particulars	Amount (Rs)
Paid up equity share capital as on 31 March 2017 (45,00,000 equity shares of face value Rs. 10/- each)	4,50,00,000
Free reserves as on 31 March 2017	
- Securities Premium account	2,85,00,000
- General Reserves	21,51,22,383
- Profit & Loss account	40,64,28,151
Total	69,50,50,534
Maximum amount permissible under the Act / Buyback Regulations subject to Shareholders' approval:	
25% of the total Paid up equity share capital and free reserves, if the buyback is carried through tender offer route (in accordance with the Chapter III of the Buyback Regulations and Section 68(2)(c) of the Act)	17,37,62,634
Maximum amount permitted by Board Resolution dated 28 November 2017 approving the Buyback, subject to shareholders' approval, based on the audited accounts for the year ended 31 March 2017	17,22,00,000

Unquote

24. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by Shareholders of Elegant Marbles and Grani Industries Limited at the Corporate Office of the Company at Elegant House, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India, from 11.00 AM to 4.00 PM on any day, except Saturdays, Sundays and Public holidays, during the Tendering Period:

- a. Certificate of Incorporation of the Company.
- b. Memorandum and Articles of Association of the Company.
- c. Annual report of the Company for the Financial Years ended March 31, 2017, March 31, 2016 and March 31, 2015.
- d. Copy of resolution passed by the Board of Directors at their meeting held on November 28, 2017.
- e. Certified true copy of the special resolution along with Scrutinizer's Report passed by the Equity shareholders of the company by way of postal ballot, the results of which were announced on January 15, 2018.
- f. Copy of Certificate dated November 28, 2017 received from M/s SDBA & Co., the Statutory Auditors of the company, in terms of clause (xi) of Part A to Schedule II of the SEBI Buyback Regulations.
- g. Copy of Declaration of Solvency and an affidavit in Form SH-9 dated November 28, 2017 as prescribed under section 68(6) of the Companies Act;
- h. Copy of Escrow Agreement dated January 15, 2018 between Elegant Marbles and Grani Industries Limited, Axis Bank Limited, Fort Branch, Mumbai and SPA Capital Advisors Limited;
- i. Copy of the certificate dated January 19, 2018 from Axis Bank Limited, Fort Branch, Mumbai confirming that Rs. 4,30,50,000/- (Rupees Four Crores Thirty Lakh Fifty Thousand Only) is kept as balance in the Escrow Account;
- j. Copy of the certificate from M/s. SDBA & Co., the Statutory Auditors of the company, dated January 16, 2018 certifying that the Company has adequate funds for the purposes of buyback of 8,40,000 Equity Shares at the price of Rs. 205/- per Equity Share;
- k. Copy of Public Announcement dated January 15, 2018 published in the newspapers on January 16, 2018 regarding Buyback of Equity shares.
- l. Copy of SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2018/5374/1 dated February 20, 2018.

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

- In case of any grievance relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit etc.), the investor can approach the Compliance Officer and/or Manager to the Buyback and/ or Registrar to the Buyback.
- If the Company makes any default in complying with the provisions of Section 68 of the Act or Rules thereunder, or SEBI Buyback Regulations, the Company or any officer of the Company who is in default shall be punishable in accordance with the provisions of the Act and Regulations.
- The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Jaipur, Rajasthan
Corporate Bhawan, G\6-7, Sardar Patel Road
Jaipur - 302 001, Rajasthan.
Email Id: roc.jaipur@mca.gov.in

26. DETAILS OF THE COMPLIANCE OFFICER

Ms. Sneha N. Valeja
Company Secretary
Elegant Marbles and Grani Industries Limited
Elegant House, Raghuvanshi Mills Compound, Senapati Bapat Marg,
Lower Parel (West), Mumbai, Maharashtra - 400013, India
Tel. No.: + 91 22 2496 0771
Fax No.: + 91 22 2493 0782
Email Id: companysecretary@elegantmarbles.com

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and Public holidays.

27. DETAILS OF INVESTOR SERVICE CENTRE AND REGISTRAR TO THE BUYBACK OFFER

In case of any query, the Eligible Shareholders may also contact the Registrar & Share Transfer Agent of the Company 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.



Universal Capital Securities Pvt. Ltd.
SEBI Regn. No.: INR000004082
Validity of Registration: April 17, 2020
21/25, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai – 400093, Maharashtra, India
Tel. No.: +91 22 2820 7203
Fax No.: +91 22 2820 7207
Email Id: info@unisec.in
Website: www.unisec.in
Contact Person: Mr. Ravindra Utekar

28. DETAILS OF THE MANAGER TO THE BUYBACK



SPA Capital Advisors Limited
SEBI Regn. No.: INM000010825
Validity of Registration: Perpetual
101-A, 10th Floor, Mittal Court, Nariman Point,
Mumbai- 400021, Maharashtra, India
Tel. No. +91 22 2280 1240
Fax No. +91 22 2202 1466
Email Id:
buyback.elegantmarbles@spagroupindia.com
Investor Grievance Email:
grievances.mb@spagroupindia.com
Website: www.spacapital.com
Contact Person: Mr. Rajiv Sharma

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

As per Regulations 19(1)(a) of the SEBI Buyback Regulations, the Board of Directors of the Company accept responsibility for the information contained in this Letter of Offer. The Letter of Offer is issued under the authority of the Board of Directors by the Buyback Committee through Resolution passed by the Buyback Committee in their Meeting held on February 21, 2018.

For and on behalf of the Board of Directors of
Elegant Marbles and Grani Industries Limited

Sd/-
Rajesh Agrawal
Chairman & Managing Director

Sd/-
Rakesh Agrawal
Managing Director

Place: Mumbai
Date: February 21, 2018

Enclosure:

1. Form of Acceptance-cum-Acknowledgement

