

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a registered Equity Shareholder of Redington (India) Limited (the “Company”) as on the Record Date (*as defined below*) in accordance with Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager to the Buyback Offer (Axis Capital Limited) or the Registrar to the Buyback Offer (Cameo Corporate Services Limited). Please refer to the section on ‘Definitions’ for the definitions of the capitalized terms used herein.



Redington (India) Limited

CIN: L52599TN1961PLC028758

Registered Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai, Tamil Nadu, 600032

Correspondence Address: SPL Guindy House, 95, Mount Road, Guindy, Chennai, Tamil Nadu, 600032

Tel.: +91 44-42243353 Fax: +91 44-22253799

E-mail: investors@redington.co.in; Website: www.redingtonindia.com

Compliance Officer: Mr. M. Muthukumarasamy, Company Secretary

CASH OFFER OF BUYBACK OF UPTO 11,120,000 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 2 EACH, REPRESENTING APPROXIMATELY 2.78% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM THE EXISTING SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. SEPTEMBER 28, 2018, ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” ROUTE AT A PRICE OF RS. 125 (RUPEES ONE HUNDRED AND TWENTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 13,900,00,000 (RUPEES THIRTEEN THOUSAND NINE HUNDRED LAKHS ONLY)

- 1) The Buyback is in accordance with Article 4(c) of the Articles of Association of the Company and is subject to the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 and in compliance with Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 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 Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Reserve Bank of India, etc.
- 2) The Buyback Offer Size is 8.22% of the aggregate of fully paid-up equity share capital and free reserves as per the audited standalone accounts of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of the Board meeting) and 4.32% of the aggregate of fully paid-up equity share capital and free reserves as per the audited consolidated accounts of the Company for the financial year ended March 31, 2018 and is less than the statutory limit of 10% (for a Buyback under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Act) of the fully paid-up equity share capital and free reserves as per the last audited standalone accounts of the Company as well as the last audited consolidated accounts of the Company.
- 3) The Letter of Offer is being sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e. September 28, 2018.
- 4) The procedure for tender and settlement is set out in paragraph 20 at page no. 35 of this Letter of Offer. The tender form (“**Tender Form**”) is enclosed together with this Letter of Offer.
- 5) For mode of payment of consideration to the Equity Shareholders, please refer to paragraph 26 of this Letter of Offer.
- 6) A copy of the Public Announcement published on September 19, 2018 and this Letter of Offer (including Tender Form) is available on the website of Securities and Exchange Board of India - <http://www.sebi.gov.in>.
- 7) Equity Shareholders are advised to read this Letter of Offer and in particular, refer to paragraph 17 (Statutory Approvals) and paragraph 21 (Note on Taxation) before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: TUESDAY, NOVEMBER 6, 2018 AT 9.15 A.M.

BUYBACK CLOSES ON: THURSDAY, NOVEMBER 22, 2018 AT 3.30 P.M.

LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR TO THE BUYBACK: TUESDAY, NOVEMBER 27, 2018 AT 5.00 P.M.

MANAGER TO THE BUYBACK

REGISTRAR TO THE BUYBACK



Axis Capital Limited

1st Floor, Axis House, C-2 Wadia International Centre, P.B.

Marg, Worli, Mumbai - 400025

Phone : +91 22 4325 2183; Tel: +91 22 4325 3000

Email: ril@axiscap.in

Contact Person : Ms. Simran Gadh

SEBI Registration: INM000012029; Validity Period: Perpetual

CIN: U51900MH2005PLC157853



Cameo Corporate Services Limited

Subramaniam building, No.1, Club House Road, Chennai - 600002

Contact Person: Ms K. Sreepriya

Phone: 91 44 40020700

Fax: 91 44 2846 0129

Email: priya@cameoindia.com

CIN: U67120TN1998PLC041613

The Offer is pursuant to SEBI (Buyback of Securities) Regulations, 2018 and in accordance with provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013

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1. SCHEDULE OF ACTIVITIES

| Activity | Schedule of activities | |
|---|--------------------------|-----------------|
| | Date | Day |
| Date of Board Meeting approving the proposal for the Buyback | September 17, 2018 | Monday |
| Public Announcement of Buyback | September 19, 2018 | Wednesday |
| Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders | September 28, 2018 | Friday |
| Buyback Opens on | November 6, 2018 | Tuesday |
| Buyback Closes on | November 22, 2018 | Thursday |
| Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar | November 27, 2018 | Tuesday |
| Last date of verification by Registrar | December 3, 2018 | Monday |
| Last date of providing acceptance to the Stock Exchange by the Registrar | December 3, 2018 | Monday |
| Last date of settlement of bids on the Stock Exchange | December 4, 2018 | Tuesday |
| Last date of dispatch of share certificate(s) by Registrar/ return of unaccepted demat shares by Stock Exchange to Selling Member | December 4, 2018 | Tuesday |
| Last Date of Extinguishment of Shares | December 11, 2018 | Tuesday |

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

2. DEFINITION OF KEY TERMS

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

| | |
|---|---|
| Acceptance Form | Tender Form |
| Act or Companies Act | The Companies Act, 2013, as amended |
| Articles | Articles of Association of the Company |
| Board or Board of Directors | Board of Directors of the Company |
| Board Meeting | Meeting of Board of Directors of the Company held on September 17, 2018 |
| BSE | BSE Limited |
| Buyback Regulations | Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 |
| Buyback Committee or Committee | Buyback committee comprising of Mr. Raj Shankar, Managing Director, Mr. E.H. Kasturi Rangan, Whole Time Director, Mr. S.V. Krishnan, Chief Financial officer and Mr. M. Muthukumarasamy, Company Secretary, constituted on September 17, 2018 |
| Buyback Closing Date | November 22, 2018 |
| Buyback Entitlement or Entitlement | The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buyback, based on the number of Equity Shares |

| | |
|---|---|
| | held by such Eligible Shareholder, on the Record Date and the ratio / percentage of Buyback applicable to such Shareholder |
| Buyback or Buyback Offer or Offer | Offer to buyback up to 11,120,000 Equity Shares of Rs. 2 each of the Company at a price of Rs. 125 per Equity Share in accordance with the Buyback Regulations and relevant provisions of the Act via the tender offer route |
| Buyback Period | The period between the date of board resolution approving the Buyback i.e September 17, 2018 and the date on which the payment of consideration to shareholders who have accepted the Buyback offer will be made. |
| Buyback Price or Offer Price | Price at which shares will be bought back from the shareholders i.e. Rs. 125 per Equity Share |
| Buyback Size or Offer Size | Number of Equity Shares proposed to be bought back (i.e. up to 11,120,000 Equity Shares) multiplied by the Buyback Price i.e. Rs. 125 (Rupees One Hundred and Twenty Five only) per Equity Share aggregating to Rs. 1,390,000,000 (Rupees Thirteen Thousand Nine Hundred Lakhs Only) |
| Clearing Corporation | Indian Clearing Corporation Limited |
| Company | Redington (India) Limited |
| Draft LOF or Draft Letter of Offer | The Draft letter of offer dated September 27, 2018, filed with SEBI through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations |
| DP | Depository Participant |
| Equity Share(s) or Share(s) | The Company's fully paid-up equity share(s) of face value of Rs. 2 (Rupees Two) each |
| Eligible Person(s) or Eligible Shareholder(s) | Person(s) eligible to participate in the Buyback Offer and would mean all equity shareholders/beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. September 28, 2018 and excludes Person(s) who do not have the capacity under applicable law to tender shares |
| Escrow Account | Escrow account opened in accordance with Buyback Regulations, in the name of 'Redington (India) Limited Buyback - Escrow Account' bearing the account number 918020090438086 |
| Escrow Agent | Axis bank Limited |
| Escrow Agreement | The escrow agreement dated September 21, 2018 entered into between the Company, the Manager to the Offer and Escrow Agent |
| ESOPs | Employee stock option plan |
| Exchange Act | United States Securities and Exchange Act of 1934 |
| FEMA | Foreign Exchange and Management Act, 1999 including the regulations, circulars, directions and notifications issued thereunder |
| General Category | Eligible Shareholders other than the Small Shareholders |
| IT Act/ Income Tax Act | Income-tax Act, 1961, as amended |
| LOF or Letter of Offer | This Letter of Offer dated October 24, 2018 to be filed with SEBI containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer |
| LODR Regulations | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended |
| Manager to the Buyback or Manager to the Offer | Axis Capital Limited |
| Non-Resident Shareholders | Includes NRIs, Foreign Institutional Investors (FIIs), Foreign Portfolio |

| | |
|--|--|
| | Investors (FPIs), Overseas Corporate Bodies (OCBs) and Foreign Nationals |
| NSE | National Stock Exchange of India Limited |
| PA or Public Announcement | The public announcement dated September 18, 2018 made in accordance with the Buyback Regulations, published on September 19, 2018 in all editions of Business Standard (English National daily), and Business Standard (Hindi National daily) and in the Chennai edition of Dakshin Bharat Rashtamat (Hindi National daily) Makkal Kural (regional language daily), each with wide circulation |
| PAN | Permanent Account Number |
| Promoters and Promoter Group | Promoters and promoter group of the Company as disclosed under the filings made by the Company under the listing agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended |
| RBI | Reserve Bank of India |
| Record Date | The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be September 28, 2018 |
| Registrar to the Buyback or Registrar to the Offer or Registrar | Cameo Corporate Services Limited |
| Reserved Category | The Small Shareholders eligible to tender Shares in the Buyback |
| SAR | Stock Appreciation Rights |
| SEBI | The Securities and Exchange Board of India |
| SEBI Circular | "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any amendments thereof |
| SEC | U.S. Securities and Exchange Commission |
| Seller Member or Seller Broker | A Stock broker (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback |
| Small Shareholder | A Shareholder, who holds Equity Shares of market value of not more than Rs. 2,00,000/- (Rupees Two Lakh only), on the basis of closing price of the Equity Shares on the Stock Exchange registering the highest trading volume, as on Record Date i.e. September 28, 2018 |
| Share Capital Rules | Companies (Share Capital and Debentures) Rules, 2014 |
| Shareholders or Members | Holders of Equity Shares and includes beneficial owners thereof |
| Stock Exchanges | National Stock Exchange of India Limited and BSE Limited |
| Tender Offer | Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations |
| Tendering Period | Period of ten working days from the date of opening of the Buyback Offer i.e. November 6, 2018 (Tuesday) till its closure i.e. November 22, 2018 (Thursday) (both days inclusive) |
| TRS | Transaction Registration Slip |
| Working Day | Working day as defined in the Buyback Regulations |

3. DISCLAIMER CLAUSE

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

It is to be distinctly understood that submission of the Letter of Offer to SEBI should not, in any way be deemed/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 offer document. The Manager to the Buyback, Axis Capital Limited, certifies that the disclosures made in the offer document are generally adequate and are in conformity with the provisions of the Companies Act and the 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 offer document, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, Axis Capital Limited has furnished to SEBI a Due Diligence Certificate dated September 27, 2018 in accordance with Buyback Regulations, which reads as follows:

“We have examined various documents and material papers relevant to the Buyback, as part of the due-diligence carried out by us in connection with the finalisation of the Public Announcement and Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- *The Public Announcement and Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback.*
- *All legal requirements connected with the said offer including SEBI (Buyback of Securities) Regulations, 2018, have been duly complied with.*
- *The disclosures in the Public Announcement and 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 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 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/misrepresentation, the directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

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

Disclaimer for U.S. Persons

The Buy-back is being made for securities of an Indian company and is subject to the laws of India. It is important for United States securities holders to be aware that this document is subject to tender offer laws and regulations in India that are different from those in the United States and has been prepared in accordance with Indian format and style, which differs from customary United States format and style.

The Buy-back will remain open for a fixed period of 10 working days as required under Regulation 9(vi) of the Buyback Regulations and not a minimum of 20 U.S. business days as prescribed by Rule 14e-1(a) under the Exchange Act. For details on the exemptive relief letter issued to the Company by the SEC, please see the section entitled “*Details of Statutory Approvals*” on page 30 of this Letter of Offer.

Any financial information included in this Letter of Offer or in any other documents relating to the Buy-back has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles.

The receipt of cash pursuant to the offer by an Eligible Shareholder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Eligible Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Buy-back.

It may be difficult for U.S. holders of Equity Shares to enforce their rights and any claims they may have arising under the U.S. federal securities laws in connection with the Buy-back, since the Company is incorporated in a country other than the United States, and some or all of its officers and directors may be residents of countries other than the United States. U.S. holders of shares in the Company may not be able to sue the Company or its officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel the Company or its affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

Neither the SEC nor any state securities commission of the United States has approved or disapproved the Buy-back, or passed any comment upon the adequacy or completeness of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

Disclaimer for Persons in other foreign countries

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. 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 would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions.

The Public Announcement dated September 18, 2018, and this Letter of Offer have 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 Manager to the Buy-back are under no obligation to update the information contained herein at any time after the date of this Letter of Offer.

The Letter of Offer shall be dispatched to all Equity Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Equity 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 Equity 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 Offer 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 Buy-back.

Forward Looking Statements:

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

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India and other countries 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 the countries where we operate which have an impact on its business activities or investments, the monetary and fiscal policies, 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 RESOLUTION PASSED AT THE BOARD MEETING

“RESOLVED THAT in accordance with Article 4(c) of the Articles of Association of the Company and the provisions of Sections 68, 69, and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the **“Act”**), the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (**“Buyback Regulations”**) and subject to such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, Chennai (**“ROC”**) and/ or other appropriate authorities which the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) agree and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, the consent of the Board be and is hereby accorded for buyback of not exceeding 1,11,20,000 fully paid up equity shares (representing 2.78 % of the total paid-up equity share capital of the Company as on 31st March 2018) of the face value of Rs 2 (Rupees Two) each (hereinafter referred to as the **“Equity Shares”** or **“Shares”**) at a price of Rs 125 (Rupees One hundred and twenty five Only) per equity share payable in cash (**“Buyback Price”**) for an aggregate amount up to Rs. 1,39,00,00,000 (Rupees Thirteen Thousand Nine Hundred Lakhs Only) (**“Buyback Size”**), representing 8.22% and 4.32% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves (including securities premium account) as per the audited Financial Statements of the Company for the financial year ended March 31, 2018, (being less than 10% of paid-up up share capital and free reserves (including securities premium account) of the Company), out of the free reserves and/or the securities premium account of the Company or such other source as may be permitted by the Buyback Regulations or the Act, from the members of the Company, as on record date determined by the Board, on a proportionate basis through **“Tender Offer”** route as prescribed under the Buyback Regulations (the **“Buyback”**).

RESOLVED FURTHER THAT September 28, 2018 shall be the record date for the purposes of the Buyback (**“Record Date”**).

RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors’ fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

RESOLVED FURTHER THAT as required by Regulation 6 of the Buyback Regulations, the Company shall buyback Equity Shares from the shareholders on a proportionate basis under the Tender Offer, provided 15% of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders at the Record Date, whichever is higher, shall be reserved for small shareholders, as defined in the Buyback Regulations.

RESOLVED FURTHER THAT all of the shareholders of the Company who hold Equity Shares as on the Record Date shall be eligible to participate in the Buyback.

RESOLVED FURTHER THAT BSE Limited be and hereby appointed as the Designated Stock Exchange for the purpose of Buyback.

RESOLVED FURTHER THAT the Company shall implement the Buyback using the **“Mechanism for acquisition of shares through Stock Exchange”** notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any further amendments thereof.

RESOLVED FURTHER THAT the Buyback from non-resident shareholders, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors, Foreign Portfolio Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India (“**RBI**”) under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any.

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (as amended) (the “**Listing Regulations**”).

RESOLVED FURTHER THAT the Company has complied and shall continue to comply with Section 70 of the Act which requires that:

- (a) The Company shall not directly or indirectly purchase its own shares:
 - (i) through a subsidiary company including its own subsidiary companies, if any; or
 - (ii) through any investment company or group of investment companies.
- (b) There are no defaults subsisting in the repayment of deposits or 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 is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Act.

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders (as have been disclosed under the shareholding pattern filings made by the Company from time to time under the Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 (“**SEBI Takeover Regulations**”), from its free reserves and/or securities premium account and/or such other sources or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

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

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting be and are hereby approved and that Mr. Raj Shankar, Managing Director, and Mr. Kasturi Rangan, Whole Time Director, be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the ROC and SEBI in accordance with the applicable laws.

RESOLVED FURTHER THAT a Buyback Committee comprising of Mr. Raj Shankar, Managing Director, Mr. E.H. Kasturi Rangan, Whole Time Director, Mr. S.V. Krishnan, Chief Financial officer and Mr. M. Muthukumarasamy, Secretary of the Company be and is hereby constituted and the powers of the Board in respect of Buyback be delegated to the Committee (“**Buyback Committee**”) and each member of the Buyback Committee be and is hereby severally authorised to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buyback, including, but not limited to, the following:

1. The initiating of all necessary actions for preparation and issue of public announcement, draft letter of offer, letter of offer and related documents;

2. The finalization and filing of public announcement, draft letter of offer, letter of offer, related documents and also the certificates for declaration of solvency and other filings with the SEBI, ROC, the stock exchanges and other appropriate authority(ies), if any;
3. Finalizing the terms of Buyback such as the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
4. The appointment of depository participant, printers, advertisement agency, and other advisors, consultants or representatives and settlement of the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
5. The making of all applications to the appropriate authorities for their requisite approvals;
6. Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;
7. The opening, operation and closure of bank accounts including special account and cash escrow account in accordance with the escrow agreement to be executed by the Company in this regard;
8. The opening, operation and closure of demat escrow account in accordance with the escrow agreement to be executed by the Company with the depository participant;
9. To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
10. To make all applications to the appropriate authority(ies) for their requisite approvals including for approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any and approvals as may be required from the United States Securities and Exchange Commission (“SEC”);
11. To give any information, explanation, declaration and confirmations in relation to the Buyback, as may be required by the relevant authorities including SEBI and the SEC;
12. To address any queries as may arise in relation to implementation of the Buyback;
13. To sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company wherever necessary on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, SEC, ROC, stock exchanges, depositories and/or other appropriate authorities;
14. To deal with stock exchanges (including their clearing corporations), and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any further amendments thereof;
15. Extinguishment of share certificates and certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Board;
16. To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper; and/or
17. Sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback.

RESOLVED FURTHER THAT the Buyback Committee be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and 'Certificate of Extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, SEC, RBI, BSE Limited, National Stock Exchange of India Limited, depositories and/or other authorities.

RESOLVED FURTHER THAT Mr. Muthukumarasamy, Company Secretary of the Company is hereby authorized to file forms with the ROC as may be necessary for the implementation of the Buyback and do all such acts, deeds, matters and things as may be necessary, expedient, usual or proper in respect thereof.

RESOLVED FURTHER THAT the quorum for a meeting of the Buyback Committee shall be presence of any two members and the Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions.

RESOLVED FURTHER THAT the Buyback Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any officer(s) and/or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.

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

RESOLVED FURTHER THAT in compliance with the Buyback Regulations, Axis Capital Limited be appointed as the Merchant Banker for the proposed buyback transaction at such remuneration as mutually agreed with Axis Capital Limited.

RESOLVED FURTHER THAT in compliance with the Buyback Regulations, Axis Capital Limited be appointed as the Broker for the proposed buyback transaction at such remuneration as mutually agreed with Axis Capital Limited and the members of the Buyback committee are authorized to execute such deeds and documents as may be necessary for opening and operating account with the Broker.

RESOLVED FURTHER THAT in compliance with the Buyback Regulations, Cameo Corporate Services Limited be appointed as the Registrar for the proposed buyback transaction at such remuneration as mutually agreed.

RESOLVED FURTHER THAT the projections of the Company placed before the Board are approved and the Board confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

1. That immediately following the date of Board meeting held on September 17, 2018 approving the Buyback, there will be no grounds on which the Company can be found unable to pay its debts.
2. That as regards the Company's prospects for the year immediately following the date of the Board meeting held on September 17, 2018, and 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 this board meeting approving the Buyback.

3. In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities) .

RESOLVED FURTHER THAT the Board hereby confirms that:

1. All the equity shares for the Buyback are fully paid-up;
2. The Company shall not issue and allot any Equity Shares including by way of bonus or convert any outstanding employee stock ownership plans /outstanding instruments into Equity Shares, from the date of this board resolution approving the Buyback till the date on which the payment of consideration to shareholders who have accepted the buyback offer is made;
3. The Company, as per provisions of Section 68(8) of the Companies Act 2013, shall not make a further issue of the same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of section 62 or other specified securities within a period of six months from the date of completion of this buyback except by way of a bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes (including stock appreciation rights schemes), sweat equity or conversion of preference shares or debentures into equity shares;
4. The Company, as per provisions of 24(i)(f) of Buyback Regulations, shall not raise further capital for a period of one year from the date on which the payment of consideration to shareholders who have accepted the buyback offer is made except in discharge of its subsisting obligations;
5. The Company shall not Buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
6. The Company shall not Buyback its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
7. There are no defaults subsisting in the repayment of deposits or 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 institutions or banking companies;
8. Funds borrowed from banks and financial institutions will not be used for the Buyback;
9. The aggregate amount of the Buyback i.e. 1,39,00,00,000 (Rupees Thirteen Thousand Nine Hundred Lakhs only) does not exceed 10% of the total paid-up equity capital and free reserves of the Company as per latest standalone and consolidated audited balance sheet as on March 31, 2018;
10. The maximum number of shares proposed to be purchased under the Buyback shall not exceed 25% of the total number of shares in the paid-up equity capital as per the audited balance sheet as on March 31, 2018;
11. The Company shall not make any offer of buyback within a period of one year reckoned from the date on which the payment of consideration to shareholders who have accepted the buyback offer is made;
12. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date; and
13. That the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice the paid-up capital and free reserves of the Company."

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

5. DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated September 18, 2018, was published on September 19, 2018 in the following newspapers, in accordance with Regulation 7(i) of the Buyback Regulations, within two

working days from the date of passing of board resolution approving the Buyback, on September 17, 2018 :

| Publication | Language | Editions |
|---------------------------|----------|-----------------|
| Business Standard | English | All Editions |
| Business Standard | Hindi | All Editions |
| Dakshin Bharat Rashtramat | Hindi | Chennai Edition |
| Makkal Kural | Tamil | Chennai Edition |

The Company will publish further notices or corrigenda, if any, in the abovementioned newspapers.

The Public Announcement is available on the SEBI website at www.sebi.gov.in, and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com.

6. DETAILS OF THE BUYBACK

The Board of Directors of Redington (India) Limited hereinafter referred to as the **“Board”**, (which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) of the Company, at its meeting held on September 17, 2018 (**“Board Meeting”**) approved the proposal for the buyback of 1,11,20,000 fully paid up equity shares (representing 2.78 % of the total paid-up equity share capital of the Company as on March 31, 2018) at a price of Rs. 125 (Rupees One Hundred and Twenty Five only) per Equity Share (the **“Buyback Price”**) up to an aggregate amount not exceeding Rs. 1,39,00,00,000 (Rupees Thirteen Thousand Nine Hundred Lakhs Only) (**“Buyback Size”**) (being less than 10% of the total paid-up equity capital and free reserves of the Company as per latest audited standalone balance sheet as on March 31, 2018), from the shareholders (**“Shareholders”**) of the Company on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Article 4(c) of the Articles of Association of the Company and in accordance with the provisions of the Companies Act, 2013 (**“Companies Act or the Act”**) and, the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**) and in compliance with the Buyback Regulations (**“Buyback”** or **“Buyback Offer”**). The Buyback Price per Equity Share and the Buyback Size do not include transaction costs such as brokerage, applicable taxes such as securities transaction taxes, goods and service tax, stamp duty, filing fees etc. The Buyback is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the Securities and Exchange Board of India (**“SEBI”**), and the stock exchanges on which the Equity Shares are listed, namely, the National Stock Exchange of India Limited (**“NSE”**) and the BSE Limited (**“BSE”**) (hereinafter together referred to as the **“Stock Exchanges”**) and **SEC**.

1. The Buyback shall be undertaken on a proportionate basis from the Shareholders as of September 28, 2018 (the **“Record Date”**) through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendments thereof (the **“SEBI Circulars”**). Please refer to Paragraph 19.4 below for further details regarding the Record Date and shareholders’ entitlement to tender the Equity Shares in the Buyback.
2. In terms of the Buyback Regulations, under tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. Harrow Investment Holding Limited (**“HIHL”**), currently named as the Promoter of the Company, has sold its entire stake in the Company on July 6, 2017 and its holding is NIL since then. Post dilution of entire stake, HIHL requested the Company to declassify their promoter status. The process of declassification of HIHL’s Promoter status has been initiated. As of today HIHL continues to be named as the Promoter of the Company. Since HIHL does not hold any shares of the Company, it has not given any intention to participate in the Buyback.
3. The Buyback Price of Rs. 125 (Rupees One Hundred and Twenty Five only) per Equity Share represents a premium of 18.82% and 19.90% over the closing price of the Equity Shares on the BSE (i.e. Rs. 105.20) and on the NSE (i.e. Rs. 104.25), respectively, as on September 10, 2018, being the

date before the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered.

4. The aggregate paid-up share capital and free reserves as on March 31, 2018 (the audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs. 169,061 lakhs on a standalone basis and Rs. 322,032 lakhs on a consolidated basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 10% of the total paid-up share capital and free reserves of the Company (for a Buyback under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Act) i.e. Rs. 16,906 lakhs on standalone basis and Rs. 32,203 Lakhs on a consolidated basis. The maximum amount proposed to be utilized for the Buyback, is Rs. 1,39,00,00,000 (Rupees Thirteen Thousand Nine Hundred Lakhs only) and is therefore within the limit of 10% of the Company's total paid-up share capital and free reserves (for a Buyback under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Act) as per the audited accounts for the financial year ended March 31, 2018. Further, the maximum amount proposed to be utilized for the Buyback is 8.22% of the Company's total paid-up share capital and free reserves on a standalone basis and 4.32% of the Company's total paid-up share capital and free reserves on a consolidated basis, as on March 31, 2018.
5. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity shares of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 100,043,171. Since the Company proposes to buyback up to 11,120,000 Equity Shares, the same is within the aforesaid 25% limit.

7. AUTHORITY FOR THE BUYBACK

The Buyback is being undertaken by the Company in accordance with Article 4(c) of the Articles, the provisions of Sections 68, 69, 70 and other applicable provisions of the Companies Act, the Rules thereunder and the Buyback Regulations. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under applicable laws.

The Board at its meeting held on September 17, 2018, passed a resolution approving the Buyback of Equity Shares of the Company.

8. NECESSITY FOR THE BUYBACK

The Board at its meeting held on September 17, 2018 considered the accumulated free reserves and cash liquidity reflected in the audited accounts for the financial year ended March 31, 2018, the immediate and future capital requirements of the Company and decided to Buyback of not exceeding 11,120,000 Equity Shares (representing approximately 2.78% of the total paid-up equity share capital of the Company as on March 31, 2018) at a price of Rs. 125 (Rupees One Hundred and Twenty Five only) per Equity Share for an aggregate consideration of up to Rs. 13,900 Lakhs (Rupees Thirteen Thousand Nine Hundred Lakhs Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

Buyback is a more efficient form of returning surplus cash to the Shareholders holding Equity Shares of the Company, inter-alia, for the following reasons:

- i. Share buyback is the acquisition by a company of its own Equity Shares. The Buyback will help the Company to return surplus cash to its Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Shareholders;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholders";
- iii. The Buyback may help in improving return on equity, by reduction in the equity base, which may consequentially lead to a long term increase in shareholders' value;
- iv. The Buyback gives an option to the Shareholders holding Equity Shares of the Company, who

can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment; and

- v. The Buyback would result in the optimization of the capital structure of the Company.

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

1. The Buyback is not likely to cause any impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is 100% acceptance of the Equity Shares tendered in the Buyback from Shareholders on a proportionate basis, the funds deployed by the Company towards the Buyback would be Rs. 1,390,000,000 (Rupees Thirteen Thousand Nine Hundred Lakhs only). This will impact the investment income earned by the Company, on account of reduced amount of funds available for investments.
2. The Buyback is not expected to impact growth opportunities for the Company.
3. The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.
4. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. The Promoter of the Company does not hold any Equity Shares of the Company and therefore, can not participate in the Buyback. Consequently, no disclosure of shareholding of the Promoters and Promoter Group and intention of the Promoters and Promoter Group to participate in the Buyback needs to be made.

As on the date of Public Announcement, the shareholding of the Directors of the Company in the Company is as follows:

| Sr. No. | Name of Directors | Designation | No. of Equity Shares held | Percentage (%) |
|---------|--------------------------|--------------------------------|---------------------------|----------------|
| 1 | Prof. J. Ramachandran | Chairman, Independent Director | 5,000 | 0.0012% |
| 2 | Mr. Raj Shankar | Managing Director | 594,946 | 0.1487% |
| 3 | Mr. E. H. Kasturi Rangan | Whole Time Director | 10,050 | 0.0025% |

5. Since the Promoter of the Company does not hold any shares in the Company, post the Buyback there would not be any change in the shareholding of the Promoters and Promoter Group of the Company based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate. The aggregate shareholding of the public in the Company shall remain the same pre and post Buyback.
6. The ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buyback in accordance with Section 68(2)(d) of the Companies Act and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement.
7. The Company will not issue any equity shares or other securities (including by way of bonus) till the expiry of the Buyback Period. The Company shall not issue fresh shares or other specified securities (including employee stock options) during the Buyback Period, whether by way of bonus issue or in the discharge of subsisting obligations, such as conversion of convertible loans, convertible instruments, stock options or otherwise.
8. The Company shall not raise further capital for a period of one year from the expiry of the Buyback Period, except in discharge of its subsisting obligations such as conversion of warrants, stock option schemes (including stock appreciation rights schemes), sweat equity or conversion of preference shares or debentures into equity shares.

9. Salient financial parameters consequent to the Buyback based on the latest audited financial statements as on March 31, 2018 are as under:

Standalone Basis

| Parameter | Pre Buyback* | Post Buyback* |
|---|--------------|---------------|
| Networth (Rs. in lakhs) # | 1,68,946 | 1,55,046 |
| Return on Networth (%) (PAT / Average Net worth) | 17.52% | 18.95% |
| Earnings per Share (PAT / Weighted average no. of shares) | 4.60 | 4.73 |
| Book Value per Share (Net worth / No. of Equity Shares outstanding at the end of the periods) | 42.22 | 39.85 |
| P/E as per the latest audited financial statements [§] | 22.50 | 21.87 |
| Total Debt/Equity Ratio (Total Debt(Excluding Working Capital Loan)/Networth) | Nil | Nil |

Consolidated Basis

| Parameter | Pre Buyback* | Post Buyback* |
|---|--------------|---------------|
| Networth (Rs. in lakhs) # | 3,50,929 | 3,37,029 |
| Return on Networth (%) (PAT (after non Controlling interest) / Average Net worth) | 14.52% | 14.83% |
| Earnings per Share (PAT (after non Controlling interest) / Weighted average no. of shares) | 12.04 | 12.38 |
| Book Value per Share (Networth / No. of Equity Shares outstanding at the end of the period) | 87.70 | 86.63 |
| P/E as per the latest audited financial statements [§] | 8.59 | 8.35 |
| Total Debt/Equity Ratio (Total Debt(Excluding Working Capital Loan)/Networth) | Nil | Nil |

Notes:

* Pre and Post Buy Back Calculations are based on financial numbers as on March 31, 2018. The post Buy Back numbers are calculated by reducing the net worth by the proposed buyback amount assuming full acceptance of the offer without factoring in any impact on the profit & loss account.

Equity share capital + Reserves and surplus - Goodwill.

[§] P/E Ratio based on the closing market price as on September 19, 2018 (Date of publication of public announcement), i.e. 103.45 (source www.nseindia.com)

Weighted average no of shares (post buyback) = Weighted average no. of shares for FY 2017-18 – no of shares to be bought back

Average Net worth = (Opening net worth + Closing net worth) /2

10. BASIS OF CALCULATING THE BUYBACK PRICE

The Equity Shares of the Company are proposed to be bought back at a price of Rs. 125 (Rupees One Hundred and Twenty Five only) per Equity Shares (the “**Buyback Price**”). The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on the Stock Exchanges where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

The Buyback Offer Price of Rs. 125 (Rupees One Hundred and Twenty Five only) per Equity Share represents a premium of 12.31% and 12.61% over the closing price of the Equity Shares on the BSE (i.e. Rs. 111.30) and on the NSE (i.e. Rs. 111.00), respectively, as on September 11, 2018, being date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered.

For trends in the market price of the Equity Shares, please refer to paragraph 16 of this Letter of Offer.

The basic earnings per Equity Share of the Company pre Buyback as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is Rs. 4.60 and Rs. 12.04 on a standalone and consolidated basis, respectively, which will increase to Rs. 4.73 and Rs. 12.38 on a standalone and consolidated basis, respectively, post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre Buyback as on March 31, 2018 is 17.52% and 14.52% on a standalone and consolidated basis respectively, which will increase to 18.95% and 14.83% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback

The Book value per Equity Share of the Company pre Buyback as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is Rs. 42.22 and Rs. 87.70 on a standalone and consolidated basis respectively, which will decrease to Rs. 39.85 and Rs. 86.63 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

11. SOURCES OF FUNDS FOR THE BUYBACK

1. Assuming full acceptance, the funds that would be deployed by the Company for the purposes of the Buyback, would be Rs. 13,900,00,000 (Rupees Thirteen Thousand Nine Hundred Lakhs only) excluding brokerage, applicable taxes such as securities transaction taxes, goods and service tax, stamp duty, filing fees etc.
2. The funds for the Buyback will be sourced from internal accruals. The Company has confirmed that funds for Buyback will be available from the sources available with the Company as permitted by the Buyback Regulations. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement. The funds borrowed, if any, from banks and financial institutions will not be used for the Buyback.

12. DETAILS OF ESCROW ACCOUNT AND AMOUNT DEPOSITED THEREIN

1. In accordance with Regulation 9(xi) of the Buyback Regulations, on September 21, 2018, an Escrow Agreement has been entered into amongst the Company, Manager to the Buyback and the Escrow Agent viz. Axis Bank Limited, having its registered office at 'Trishul', 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and Central Office at C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025.
2. In accordance with the Buyback Regulations and pursuant to the Escrow Agreement, the Company has opened an Escrow Account in the name and style "Redington (India) Limited Buyback Escrow Account" bearing account number 918020090438086 with the Escrow Agent in accordance with Regulation 9(xi) of the Buyback Regulations and has deposited in the Escrow Account, cash aggregating to a sum of Rs 289,000,000 (Twenty Eight Crores Ninety Lakhs Rupees Only) i.e. equivalent of 25% of up to Rs 100 crores of the Buyback Size and 10% thereafter of the Buyback Size. In accordance with the Buyback Regulations, the Managers to the Buyback has been empowered to operate the Escrow Account.
3. The amount of cash deposited in the Escrow Account is in accordance to the amount required to be deposited in terms of the Buyback Regulations.
4. The Company has adequate and firm financial resources to fulfill the obligations under the Buyback and the same has been certified by Mr. V. Mahesh, partner of V. Mahesh and Co, Chartered Accountants, (Membership No:202460, Firm Registration No. 010954S), having its office at, Flat F-2, I Floor, Raj Major Apartments, No. 6/25, East Road, West CIT Nagar, Nandanam, Chennai – 600035, Phone No : 044 24310755 vide their certificate dated September 17, 2018.

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

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

1. The present capital structure of the Company as on date of the issue of the this Letter of Offer is as follows:

| Particulars | Pre Buyback (in Rs. Lakhs) |
|---|-------------------------------|
| Authorised Share Capital | |
| 425,000,000 Equity Shares of Rs. 2 each | 8,500 |
| Issued, Subscribed and Paid-Up Share Capital | |
| 400,172,685 fully paid-up Equity Shares of Rs. 2/- each | 8,003.45 |

2. Assuming full acceptance in the Buyback, the capital structure post Buyback would be as follows:

| Particulars | Post Buyback (in Rs. Lakhs) |
|---|--------------------------------|
| Authorised Share Capital | |
| 425,000,000 Equity Shares of Rs. 2 each | 8,500 |
| Issued, Subscribed and Paid-Up Share Capital | |
| 389,052,685 fully paid-up Equity Shares of Rs. 2/- each | 7,781.05 |

3. As on the date of the Letter of Offer, there are no outstanding preference shares, partly paid up Equity Shares or calls in arrears.
4. As on the date of the Letter of Offer, there are no outstanding instruments convertible into Shares except 12,292 outstanding and vested ESOPs.
5. The Nomination and Remuneration Committee of the Board of the Company on December 30, 2017 approved the grant of 81,79,000 stock appreciation rights (SARs) to the employees of the Company and its subsidiaries. These SARs vest over a period of 3 years from the date of the grant in the following manner:
- 10% of the SARs vest after a period of one year from the grant date;
 - 20% of the SARs vest after a period of two years from the grant date; and
 - 70% of the SARs vest after a period of three years from the grant date.

These SARs are exercisable within a period of three years from the respective date of vesting.

6. The Company shall not issue and allot any Shares including by way of bonus or convert any employee stock options into Shares till the expiry of the Buyback Period.
7. There have been no other buyback programmes of the Company over the last 3 years from the date of the Letter of Offer.
8. The shareholding pattern of the Company before the Buyback, i.e., as on September 28, 2018 (the Record Date) and after the Buyback (assuming full subscription of 11,120,000 shares in the Buyback), is as follows:

| Particulars | Number of Shares | % to existing share capital | No. of Shares post Buyback* | % holding post Buyback* |
|--|------------------|-----------------------------|-----------------------------|-------------------------|
| Promoters and persons acting in concert | NIL | NIL | NIL | NIL |
| Foreign Investors (OCBs/FIIs/FPIs/NRIs/Non-residents/Non-domestic) | 296,412,808 | 74.07 | 389,052,685 | 100 |

| Particulars | Number of Shares | % to existing share capital | No. of Shares post Buyback* | % holding post Buyback* |
|---|------------------|-----------------------------|-----------------------------|-------------------------|
| companies) | | | | |
| Indian Financial Institutions/ Banks/Mutual Funds/Govt. Companies | 78,821,516 | 19.70 | | |
| Public including other Bodies Corporate | 24,938,361 | 6.23 | | |
| Total | 400,172,685 | 100.00 | 389,052,685 | 100 |

* Assuming full acceptance of 11,120,000 Equity Shares in the Buyback in the ratio of their entitlement

9. Harrow Investment Holding Limited (“HIHL”), currently named as the Promoter of the Company, has sold its entire stake in the Company on July 6, 2017 and its holding is NIL since then. Post dilution of entire stake, HIHL requested the Company to declassify their promoter status. The process of declassification of HIHL’s Promoter status has been initiated. As of today, HIHL continues to be named as the Promoter of the Company. Consequently, no disclosure regarding purchase/sale by any of the Promoters and Promoter Group, directors of the Promoters and Promoter Group Companies during the period of twelve months preceding the date of the Board Meeting at which the Buyback was approved is required. No Equity Shares of the Company have been purchased/sold by any of the Directors of the Company during the period from twelve months preceding the date of the Board Meeting at which the Buyback was proposed.
10. The Promoter (HIHL) holds NIL shares as on the Record Date and post Buyback (assuming full acceptance) there will be no change in the aggregate shareholding of the Promoter. Accordingly, Promoter (HIHL) will hold NIL shares post Buyback (assuming full acceptance).
11. Assuming full acceptance of the Buyback, the issued, subscribed and paid up equity share capital of the Company would be Rs. 778,105,370 comprising 389,052,685 Equity Shares of Rs. 2 each as more fully set out in paragraph 13.2 of this Letter of Offer.
12. There is no pending scheme of amalgamation or compromise or arrangement of the Company pursuant to any provisions of the Act.

14. BRIEF INFORMATION ABOUT THE COMPANY

1. The Company was originally incorporated as G. Kewalram Private Limited on May 2, 1961 under the provisions of the Companies Act 1956 with the Registrar of Companies, Maharashtra. On December 9, 1981, the name of the Company was changed to Kewalram Private Limited and subsequently to Redington (India) Private Limited on April 28, 1987. The registered office of the Company was transferred to Chennai, Tamil Nadu by the Company Law Board’s order dated July 13, 1994. The Company changed its name to Redington (India) Limited with effect from October 01, 1996 with the Registrar of Companies, Tamil Nadu on which date the Company became a public limited company. Subsequently, on January 10, 2002, the word “Private” was inserted in the name of the Company pursuant to Section 43A (2A). The word “private” was deleted from the name of the Company pursuant to Section 44 (a) of the Companies Act, 1956, and the Company became a public company with effect from March 15, 2002.
2. The equity shares of the Company were listed on the BSE (Code: 532805) and NSE (Code: REDINGTON) on February 15, 2007.
3. The registered office of the Company is located at SPL Guindy House, 95, Mount Road, Guindy, Chennai, Tamil Nadu, 600032.
4. The Company is into business of distribution of Technology products. It provides end-to-end supply chain solutions for all categories of Information Technology products (PCs, PC building blocks, networking, software and enterprise solution products) and Consumer and Lifestyle products (Telecom, Digital Lifestyle products, Entertainment products and Digital Printing

Machines) to over 200 international brands. As a group, the Company has presence in India, Middle East, Africa, Turkey, Srilanka, Bangladesh, Singapore and CIS countries.

5. During the year FY 2017-18, the Company grew its Consolidated revenue by 5.7% with a Compounded Annual Growth Rate (CAGR) of 15.6% since listing.
6. The paid-up equity share capital of the Company for the year ended March 31, 2018 was Rs. 8003.45 Lakhs and the total free reserves for the year ended March 31, 2018 were Rs 161,057.55 Lakhs on Standalone basis and Rs. 314,028.55 on Consolidated basis.
7. Following is the equity share capital history of the Company since inception:

| Sr. No | Date Of Allotment | No. of Equity shares | Face Value (Rs.) | Issue Price Per Share (Rs.) | Type of issue (IPO/FPO/Preferential Issue/Scheme/Bonus/Rights,etc.) | Cumulative Capital (No. of Shares) | Cumulative paid up share capital (Rs.) |
|--------|-------------------|----------------------|------------------|-----------------------------|---|------------------------------------|--|
| 1 | May 2, 1961 | 10 | 1000 | 1000 | Subscription to the Memorandum | 10 | 10,000 |
| 2 | May 2, 1961 | 90 | 1000 | 1000 | Allotment to the then existing promoters | 100 | 100,000 |
| 3 | April 18, 1964 | 45 | 1000 | 1000 | Further allotment | 145 | 145,000 |
| 4 | August 28, 1967 | 2 | 1000 | 1000 | Further allotment | 147 | 147,000 |
| 5 | May 17, 1994 | 4,853 | 1000 | 1000 | Further allotment | 5,000 | 5,000,000 |
| 6 | March 18, 1996 | 17,271 | 1000 | 1100 | Further allotment | 22,271 | 22,271,000 |
| 7 | June 10, 1996 | 5,454 | 1000 | 1100 | Further allotment | 27,725 | 27,725,000 |
| 8 | October 17, 1997 | 1,734 | 1000 | 1000 | Further allotment | 29,459 | 29,459,000 |
| 9 | December 27, 1997 | 120,541 | 1000 | 1000 | Further allotment | 150,000 | 150,000,000 |
| 10 | March 21, 1999 | 122,651 | 1000 | 1041 | Further allotment | 272,651 | 272,651,000 |
| 11 | March 22, 1999 | 27,265,100 | 10 | | Sub-division of shares from Rs. 1,000 to Rs. 10 each | | |
| 12 | February 7, 2002 | 60 | 10 | 63.5925 | Further allotment | 27,265,160 | 272,651,600 |
| 13 | March 15, 2002 | 1,895,440 | 10 | 63.5925 | Further allotment | 29,160,600 | 291,606,000 |
| 14 | March 10, 2003 | 226,993 | 10 | 63.5925 | Further allotment | 29,387,593 | 293,875,930 |
| 15 | October 21, 2004 | 14,693,796 | 10 | 78.2643 | Consideration payable for acquisition of 100% equity in Redington Gulf FZE, Dubai | 44,081,389 | 440,813,890 |
| 16 | December 30, 2004 | 16,620,056 | 10 | 47.588 | Further allotment | 60,701,445 | 607,014,450 |
| 17 | March 17, 2006 | 2,380,801 | 10 | 93.04 | Further allotment | 63,082,246 | 630,822,460 |
| 18 | July 1, 2006 | 1,552,500 | 10 | 62 | Shares issued under ESPS | 64,634,746 | 646,347,460 |

| | | | | | | | |
|----|--------------------|------------|----|--------|--|------------|-------------|
| 19 | February 6, 2007 | 13,231,000 | 10 | 123.00 | Initial Public issue | 77,865,746 | 778,657,460 |
| 20 | April 24, 2009 | 400 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 77,866,146 | 778,661,460 |
| 21 | May 30, 2009 | 207,485 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,073,631 | 780,736,310 |
| 22 | June 9, 2009 | 189,920 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,263,551 | 782,635,510 |
| 23 | June 18, 2009 | 60,675 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,324,226 | 783,242,260 |
| 24 | June 29, 2009 | 117,390 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,441,616 | 784,416,160 |
| 25 | July 13, 2009 | 28,900 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,470,516 | 784,705,160 |
| 26 | August 21, 2009 | 27,830 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,498,346 | 784,983,460 |
| | August 21, 2009 | 18,670 | 10 | 165.00 | Allotment of shares on exercise of ESOP by employees | 78,517,016 | 785,170,160 |
| 27 | September 25, 2009 | 12,125 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,529,141 | 785,291,410 |
| 28 | October 24, 2009 | 11,860 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,541,001 | 785,410,010 |
| 29 | December 3, 2009 | 8,240 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,549,241 | 785,492,410 |
| | December 3, 2009 | 6,330 | 10 | 175.00 | Allotment of shares on exercise of ESOP by employees | 78,555,571 | 785,555,710 |
| 30 | December 23, 2009 | 20,250 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,575,821 | 785,758,210 |
| 31 | February 2, 2010 | 16,250 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,592,071 | 785,920,710 |
| 32 | February 27, 2010 | 4,200 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,596,271 | 785,962,710 |
| 33 | March 24, 2010 | 33,445 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,629,716 | 786,297,160 |
| | March 24, 2010 | 6,250 | 10 | 165.00 | Allotment of shares on exercise of ESOP by employees | 78,635,966 | 786,359,660 |
| 34 | April 15, 2010 | 72,380 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,708,346 | 787,083,460 |
| 35 | April 30, 2010 | | 10 | 130.00 | Allotment of shares | 78,782,061 | |

| | | | | | | | |
|----|-------------------|-------------|----|--------|--|-------------|-------------|
| | | 73,715 | | | on exercise of ESOP by employees | | 787,820,610 |
| 36 | May 14, 2010 | 58,408 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,840,469 | 788,404,690 |
| | May 14, 2010 | 6,250 | 10 | 165.00 | Allotment of shares on exercise of ESOP by employees | 78,846,719 | 788,467,190 |
| 37 | May 28, 2010 | 47,245 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,893,964 | 788,939,640 |
| | May 28, 2010 | 12,500 | 10 | 165.00 | Allotment of shares on exercise of ESOP by employees | 78,906,464 | 789,064,640 |
| 38 | June 16, 2010 | 85,831 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 78,992,295 | 789,922,950 |
| 39 | July 9, 2010 | 91,659 | 10 | 130.00 | Allotment of shares on exercise of ESOP by employees | 79,083,954 | 790,839,540 |
| 40 | August 23, 2010 | 395,419,770 | 2 | | Sub-division of shares from Rs. 10 to Rs. 2 each | | |
| 41 | September 2, 2010 | 123,750 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 395,543,520 | 791,087,040 |
| 42 | October 5, 2010 | 102,250 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 395,645,770 | 791,291,540 |
| 43 | November 1, 2010 | 63,575 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 395,709,345 | 791,418,690 |
| 44 | November 25, 2010 | 272,090 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 395,981,435 | 791,962,870 |
| 45 | December 28, 2010 | 10,000 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 395,991,435 | 791,982,870 |
| 46 | February 10, 2011 | 118,055 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 396,109,490 | 792,218,980 |
| 47 | March 16, 2011 | 220,565 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 396,330,055 | 792,660,110 |
| 48 | April 12, 2011 | 31,250 | 2 | 33.00 | Allotment of shares on exercise of ESOP by employees | 396,361,305 | 792,722,610 |
| | April 12, 2011 | 484,565 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 396,845,870 | 793,691,740 |
| 49 | April 30, 2011 | 512,910 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 397,358,780 | 794,717,560 |
| 50 | May 27, 2011 | 31,250 | 2 | 33.00 | Allotment of shares on exercise of ESOP by employees | 397,390,030 | 794,780,060 |
| | May 27, 2011 | | 2 | 26.00 | Allotment of shares | 397,544,155 | |

| | | | | | | | |
|----|--------------------|---------|---|-------|--|-------------|-------------|
| | | 154,125 | | | on exercise of ESOP by employees | | 795,088,310 |
| 51 | June 16, 2011 | 58,435 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 397,602,590 | 795,205,180 |
| 52 | July 11, 2011 | 397,500 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,000,090 | 796,000,180 |
| 53 | August 16, 2011 | 31,250 | 2 | 33.00 | Allotment of shares on exercise of ESOP by employees | 398,031,340 | 796,062,680 |
| | August 16, 2011 | 128,450 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,159,790 | 796,319,580 |
| 54 | September 15, 2011 | 82,255 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,242,045 | 796,484,090 |
| 55 | October 18, 2011 | 66,625 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,308,670 | 796,617,340 |
| 56 | December 15, 2011 | 134,350 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,443,020 | 796,886,040 |
| 57 | February 17, 2012 | 135,175 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,578,195 | 797,156,390 |
| 58 | April 20, 2012 | 226,000 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,804,195 | 797,608,390 |
| 59 | June 18, 2012 | 186,500 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 398,990,695 | 797,981,390 |
| 60 | July 17, 2012 | 31,250 | 2 | 33.00 | Allotment of shares on exercise of ESOP by employees | 399,021,945 | 798,043,890 |
| | July 17, 2012 | 18,125 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,040,070 | 798,080,140 |
| 61 | September 10, 2012 | 33,750 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,073,820 | 798,147,640 |
| 62 | January 23, 2013 | 5,000 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,078,820 | 798,157,640 |
| | January 23, 2013 | 73,750 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,152,570 | 798,305,140 |
| 63 | June 28, 2013 | 125,000 | 2 | 33.00 | Allotment of shares on exercise of ESOP by employees | 399,277,570 | 798,555,140 |
| 64 | October 18, 2013 | 112,500 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,390,070 | 798,780,140 |
| 65 | January 30, 2013 | 44,250 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,434,320 | 798,868,640 |
| 66 | March 12, 2014 | | 2 | 26.00 | Allotment of shares | 399,481,820 | |

| | | | | | | | |
|----|--------------------|---------|---|-------|--|-------------|-------------|
| | | 47,500 | | | on exercise of ESOP by employees | | 798,963,640 |
| 67 | June 9, 2014 | 23,060 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,504,880 | 799,009,760 |
| | June 9, 2014 | 67,840 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,572,720 | 799,145,440 |
| 68 | September 17, 2014 | 12,375 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,585,095 | 799,170,190 |
| | September 17, 2014 | 10,925 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,596,020 | 799,192,040 |
| 69 | December 11, 2014 | 48,180 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,644,200 | 799,288,400 |
| | December 11, 2014 | 19,375 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,663,575 | 799,327,150 |
| 70 | March 5, 2015 | 20,465 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,684,040 | 799,368,080 |
| | March 5, 2015 | 18,750 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,702,790 | 799,405,580 |
| 71 | April 23, 2015 | 50,690 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,753,480 | 799,506,960 |
| 72 | September 11, 2015 | 32,750 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,786,230 | 799,572,460 |
| | September 11, 2015 | 11,500 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,797,730 | 799,595,460 |
| 73 | January 25, 2016 | 13,500 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,811,230 | 799,622,460 |
| | January 25, 2016 | 2,000 | 2 | 26.00 | Allotment of shares on exercise of ESOP by employees | 399,813,230 | 799,626,460 |
| 74 | September 16, 2016 | 35,230 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 399,848,460 | 799,696,920 |
| 75 | September 12, 2017 | 229,000 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 400,077,460 | 800,154,920 |
| 76 | December 13, 2017 | 95,225 | 2 | 79.30 | Allotment of shares on exercise of ESOP by employees | 400,172,685 | 800,345,370 |

Notes:

- 272,651 Equity Shares issued at a face value of Rs. 1,000/- each were sub-divided into 100 shares of Rs. 10/- each on March 22, 1999.

- 79,083,954 Equity Shares issued at a face value of Rs. 10 each were sub-divided into 5 Equity Shares of Rs. 2/- each on August 23, 2010.

a. The Board of Directors of the Company comprises the following:

| Name, Occupation, Age and DIN | Designation | Qualifications | Date of Appointment / Reappointment | Directorships in Indian Companies and LLPs |
|---|---|---|-------------------------------------|--|
| Name: J Ramachandran Age: 61 Occupation: Professor DIN: 00004593 | Chairman and Non-Executive Independent Director | A qualified Chartered and Cost Accountant, and a Fellow of the Indian Institute of Management Ahmedabad | July 31, 2014 | i. Reliance Communications Limited ii. Sasken Technologies Limited iii. Aditya Auto Products and Engineering (India) Pvt Ltd iv. Reliance Infratel Limited |
| Name: Tu, Shu-Chyuan Age: 60 Occupation: Corporate Executive DIN: 02336015 | Non-Executive Nominee Director | Engineering graduate from the National Chiao Tung University, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA | October 24, 2008 | Nil |
| Name: Chen, Yi-Ju Age: 46 Occupation: Corporate Executive DIN: 08031113 | Non-Executive Nominee Director | Graduated in Agri-Economics from National Taiwan University, with major in International Finance. | December 26, 2017 | Nil |
| Name: Udai Dhawan Age: 45 Occupation: Corporate Executive DIN: 03048040 | Non-Executive Nominee Director | MBA from the Wharton School, University of Pennsylvania and is a Chartered Accountant from the Institute of Chartered Accountants of India | January 10, 2017 | i. Prime Focus Limited ii. Powerica Limited iii. Ocean Sparkle Limited iv. Craftsman Automation Limited v. Standard Chartered Private Equity Advisory (India) Private Limited vi. TEK Travels Pvt Limited |
| Name: B. Ramaratnam Age: 63 Occupation: Company Director DIN: 07525213 | Non-Executive Independent Director | Chartered Accountant from Institute of Chartered Accountants of India (ICAI) | May 21, 2018 | Nil |
| Name: V.S. Hariharan Age: 56 Occupation: Corporate Executive DIN: 05352003 | Non-Executive Independent Director | A graduate of IIT Madras and MBA from Indian Institute of Management, Bangalore with specialisation in marketing | July 31, 2014 | i. Rex-Tone Industries Limited ii. Third Wave Power India Private Limited |

| Name, | Designation | Qualifications | Date of | Directorships in Indian |
|---|------------------------------------|---|---------------|--|
| Name: Keith W F Bradley Age: 54 Occupation: Corporate Executive DIN: 06564581 | Non-Executive Independent Director | A Chartered Accountant from the United Kingdom with Masters of Accounting from the Queens University of Belfast | July 31, 2014 | Nil |
| Name: Raj Shankar Age: 60 Occupation: Corporate Executive DIN: 00238790 | Managing Director | A postgraduate from the Birla Institute of Technology and Sciences, Pilani | July 26, 2017 | Redserv Business Solutions Private Limited |
| Name: E. H. Kasturi Rangan Age: 54 Occupation: Corporate Executive DIN: 01814089 | Whole Time Director | i. Bachelor of Science ii. Fellow Associate Member of ICAI iii. Graduate Member of the Institute of Cost and Works Accountants of India, iv. Bachelor of Law, v. Member of the Institute of Chartered Financial Analyst of India. | May 24, 2016 | i. ProConnect Supply Chain Solutions Limited ii. Currents Technology Retail (India) Limited |

- b. The details of change in Board of Directors during the last 3 years from the date of this Letter of Offer are as under:

| Name | Appointment/Resignation/Cessation | Effective Date | Reasons |
|--------------------------|-----------------------------------|--------------------|---|
| Mr. E. H. Kasturi Rangan | Appointment | May 24, 2016 | Appointed as Whole Time Director |
| Mr. M. Raghunandan | Cessation | May 24, 2016 | Superannuation |
| Mr. N. Srinivasan | Resignation | May 24, 2016 | Personal Reasons |
| Mr. B. Ramaratnam | Appointment | May 24, 2016 | Appointed as Non-Executive Director |
| Mr. R. Jayachandran | Resignation | September 30, 2016 | Personal Reasons |
| Mr. Nainesh Singh | Resignation | January 9, 2017 | Personal Reasons |
| Mr. Udai Dhawan | Appointment | January 10, 2017 | Appointed as Non-Executive Director |
| Mr. R. Srinivasan | Resignation | February 2, 2017 | Personal Reasons |
| Mr. Raj Shankar | Re-appointment | July 26, 2017 | Re-appointed as Managing Director for a period of five years with effect from July 26, 2017 |
| Ms. Suchitra Rajagopalan | Resignation | September 28, 2017 | Personal Reasons |

| | | | |
|-------------------|----------------|-------------------|---|
| Ms. Chen, Yi-Ju | Appointment | December 26, 2017 | Appointed as Non-Executive Director |
| Mr. Lin, Tai-Yang | Resignation | December 26, 2017 | Personal Reasons |
| Mr. B. Ramaratnam | Re-appointment | May 21, 2018 | Appointed as Non- Executive Independent Director for a period of five years with effect from May 21, 2018 |

- c. The Buyback will not result in any benefit to any directors of the Company / Promoters and Promoter Group of the Company / persons in control of the Company / group companies except to the extent of their participation, if any, in the Buyback and the change in resultant change in share capital of the Company post the Buyback.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

The brief audited financial information of the Company for the last three financial years are provided below:

| Particulars | <i>(Rs In lakhs)</i> | | |
|--|---|---|--|
| | For the year ended Mar-18 As per IND AS (Audited) | For the year ended Mar-17 As Per IND AS (Audited) * | For the year ended Mar-16 As Per IND AS (Audited) ** |
| Revenue from Operations (net) | 15,26,258 | 15,75,883 | 12,63,816 |
| Other Income | 4,553 | 4,606 | 3,582 |
| Total Income | 15,30,811 | 15,80,489 | 12,67,398 |
| Total Expense | 14,92,439 | 15,39,937 | 12,29,612 |
| Interest | 9,886 | 8,091 | 8,237 |
| Depreciation | 1,353 | 1,152 | 1,003 |
| Profit Before Tax | 27,133 | 31,309 | 28,546 |
| Provision for Tax (including Deferred Tax) | 8,741 | 10,474 | 9,674 |
| Profit After Tax | 18,392 | 20,835 | 18,872 |
| Paid-up Equity Share capital of the Company | 8,003 | 7,997 | 7,996 |
| Reserves & Surplus | 1,60,943 | 1,52,973 | 1,45,847 |
| Net Worth | 1,68,946 | 1,60,970 | 1,53,843 |
| Total Debt (Excluding working capital loans) | Nil | Nil | Nil |
| Debt (Including working capital loans) | 76,627 | 70,729 | 47,752 |

* The figures have been restated to give effect to the merger of an erstwhile Wholly Owned Subsidiary, Cadensworth (India) Limited.

** The figures have been restated to give effect to the merger of an erstwhile Wholly Owned Subsidiary, Nook Micro Distribution (India) Limited.

| Key Ratios | For the year ended Mar-18 As per IND AS (Audited) | For the year ended Mar-17 As per IND AS (Audited) * | For the year ended Mar-16 As per IND AS (Audited) ** |
|----------------------------------|---|---|--|
| Basic Earnings per Share (Rs.) | 4.60 | 5.21 | 4.72 |
| Diluted Earnings per Share (Rs.) | 4.60 | 5.21 | 4.72 |
| Book value per Share (Rs.) | 42.2 | 38.7 | 38.5 |
| Return on Net Worth ## | 17.5% | 21.8% | 22.2% |
| Debt-Equity Ratio | 0.45 | 0.44 | 0.31 |

| | | | |
|------------------------|-----|-----|-----|
| Total Debt / Net Worth | Nil | Nil | Nil |
|------------------------|-----|-----|-----|

* The figures have been restated to give effect to the merger of an erstwhile Wholly Owned Subsidiary, Cadensworth (India) Limited.

** The figures have been restated to give effect to the merger of an erstwhile Wholly Owned Subsidiary, Nook Micro Distribution (India) Limited.

Investments made in and Dividend income received from wholly-owned Subsidiaries is excluded.

The Key ratios have been computed as below:

| Key Ratios | Basis of Calculation |
|----------------------------------|---|
| Net Worth | Equity share capital + Reserves and surplus – Goodwill |
| Basic Earnings per Share (Rs.) | PAT / Weighted average no. of shares |
| Diluted Earnings per Share (Rs.) | PAT / Weighted average Diluted no. of shares |
| Book value per Share (Rs.) | Net worth / No. of Equity Shares outstanding at the end of the period. |
| Return on Net Worth | Profit after tax / Average Net worth ((Opening net worth + Closing net worth) /2) |
| Debt-Equity Ratio | (Long term debt + Short term debt) / Net worth |
| Total Debt / Net Worth | Total Debts (Excluding Working Capital Loan) / Net worth |

Consolidated Financial Information

(Rs In lakhs)

| Particulars | For the year ended Mar-18 As per IND AS (Audited) | For the year ended Mar-17 As Per IND AS (Audited) | For the year ended Mar-16 As Per IND AS (Audited) |
|--|---|---|---|
| Revenue from Operations (net) | 43,45,941 | 41,11,465 | 35,44,218 |
| Other Income | 3,909 | 4,139 | 3,398 |
| Total Income | 43,49,850 | 41,15,604 | 35,47,616 |
| Total Expense | 42,64,296 | 40,28,982 | 34,65,854 |
| Interest | 16,803 | 15,703 | 18,049 |
| Depreciation | 5,694 | 5,468 | 4,682 |
| Profit Before Tax | 63,057 | 65,451 | 59,031 |
| Provision for Tax (including Deferred Tax) | 14,615 | 17,777 | 14,623 |
| Profit After Tax | 48,442 | 47,674 | 44,408 |
| Non-Controlling Interest | 278 | 1,252 | 2,056 |
| Profit After Tax (After Non-Controlling Interest) | 48,164 | 46,422 | 42,352 |
| Paid-up Equity Share capital of the Company | 8,003 | 7,997 | 7,996 |
| Reserves & Surplus | 3,45,053 | 3,06,794 | 2,86,939 |
| Net Worth*## | 3,50,929 | 3,12,675 | 2,92,586 |
| Total Debt (Excluding working capital loans) | Nil | Nil | Nil |
| Debt (Including working capital loans) | 1,45,779 | 1,51,584 | 2,23,964 |

*## Net Worth = Equity share capital + Reserves and surplus - Goodwill

| Key Ratios | For the year ended Mar-18 As per IND AS (Audited) | For the year ended Mar-17 As Per IND AS (Audited) | For the year ended Mar-16 As Per IND AS (Audited) |
|--|---|---|---|
| Basic Earnings per Share (Rs.) | 12.04 | 11.61 | 10.59 |
| Diluted Earnings per Share (Rs.) | 12.04 | 11.61 | 10.59 |
| Book value per Share (Rs.) | 87.7 | 78.2 | 73.2 |
| Return on Net Worth | 14.5% | 15.3% | 15.6% |
| Debt-Equity Ratio | 0.42 | 0.48 | 0.77 |
| Total Debt (Excluding working capital loans) / Net Worth | Nil | Nil | Nil |

The Key ratios have been computed as below:

| Key Ratios | Basis of Calculation |
|----------------------------------|--|
| Net Worth | Equity share capital + Reserves and surplus - Goodwill |
| Basic Earnings per Share (Rs.) | PAT (after Non-controlling interest) / Weighted average no. of shares |
| Diluted Earnings per Share (Rs.) | PAT (after Non-controlling interest) / Weighted average Diluted no. of shares |
| Book value per Share (Rs.) | Net worth / No. of Equity Shares outstanding at the end of the period |
| Return on Net Worth | Profit after tax (after Non-controlling interest) / Average Net worth ((Opening net worth + Closing net worth) /2) |
| Debt-Equity Ratio | (Long term debt + Short term debt) / Net worth |
| Total Debt / Net Worth | Total Debts (Excluding Working Capital Loan) / Net worth |

The Company shall abide by the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company has complied with Sections 68, 69 and 70 of the Companies Act, 2013.

16. STOCK MARKET DATA

- The Shares of the Company are listed on BSE and NSE.
- The high, low and average market prices for the last three financial years (April to March periods) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement, i.e September 19, 2018, and the corresponding volumes on BSE are as follows:

| Period | High (Rs.) | Date of High | Number of Shares traded on that date | Low (Rs.) | Date of Low | Number of Shares traded on that date | Average Price* (Rs.) | Total volume traded in period |
|-------------------------|------------|---------------|--------------------------------------|-----------|---------------|--------------------------------------|----------------------|-------------------------------|
| 3 Years | | | | | | | | |
| FY 18 (Apr 17 – Mar 18) | 210.05 | Nov 10, 2017 | 154,278 | 109.55 | April 3, 2017 | 32,047 | 152.28 | 5,37,70,380 |
| FY 17 (Apr 16 - Mar 17) | 126.65 | May 24, 2016 | 546,703 | 79.7 | Nov 9, 2016 | 81,067 | 104.35 | 10,23,66,455 |
| FY 16 (Apr 15 - Mar 16) | 133.65 | April 1, 2015 | 65,810 | 91.2 | June 19, 2015 | 84,381 | 113.02 | 2,36,62,321 |

| Period | High (Rs.) | Date of High | Number of Shares traded on that date | Low (Rs.) | Date of Low | Number of Shares traded on that date | Average Price* (Rs.) | Total volume traded in period |
|---|------------|--------------------|--------------------------------------|-----------|-------------------|--------------------------------------|----------------------|-------------------------------|
| 6 months | | | | | | | | |
| 1 st September – 18 th September 2018 | 115.35 | September 11, 2018 | 2,92,184 | 99.55 | September 5, 2018 | 12,027 | 106.61 | 11,06,533 |
| 1 st August-31 st August 2018 | 112.5 | August 6, 2018 | 31,486 | 89 | August 21, 2018 | 67,108 | 99.36 | 8,25,209 |
| 1 st July-31 st July 2018 | 128 | July 31, 2018 | 1,50,069 | 107 | July 20, 2018 | 4,912 | 114.60 | 9,77,188 |
| 1 st Jun-30 th Jun 2018 | 138.5 | June 13, 2018 | 1,71,279 | 103 | June 29, 2018 | 48,489 | 118.84 | 24,23,880 |
| 1 st May – 31 st May 2018 | 143.1 | May 2, 2018 | 3,29,598 | 117.95 | May 22, 2018 | 8,473 | 128.97 | 4,67,675 |
| 1 st April – 30 th April 2018 | 159 | April 9, 2018 | 5,135 | 138.75 | April 30, 2018 | 11,134 | 150.01 | 2,94,500 |
| 1 st March – 31 st March 2018 | 149.35 | March 15, 2018 | 4,148 | 129.95 | March 7, 2018 | 16,694 | 139.16 | 16,14,440 |

Source: www.bseindia.com

*Arithmetical average of closing prices

3. The high, low and average market prices for the last financial three years (April to March periods) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement i.e September 19, 2018 and the corresponding volumes on NSE are as follows:

| Period | High (Rs.) | Date of High | Number of Shares traded on that date | Low (Rs.) | Date of Low | Number of Shares traded on that date | Average Price* (Rs.) | Total volume traded in period |
|---------------------------|------------|-------------------|--------------------------------------|-----------|------------------|--------------------------------------|----------------------|-------------------------------|
| 3 Years | | | | | | | | |
| FY 18(Apr 17 – Mar 18) | 209.9 | November 10, 2017 | 1,022,648 | 110.05 | April 3, 2017 | 159,013 | 152.51 | 112,021,707 |
| FY17 (Apr 16 - Mar 17) | 126.80 | May 24, 2016 | 2,102,652 | 82.05 | November 9, 2016 | 335,668 | 104.48 | 83,216,446 |
| FY16 (Apr 15 - Mar 16) | 133.70 | April 1, 2015 | 240,235 | 90.25 | June 19, 2015 | 983,464 | 113.18 | 89,800,103 |
| 6 months | | | | | | | | |
| 1 st September | 115.5 | September 11, | 30,66,473 | 99.45 | September 5, | 5,60,458 | 106.59 | 1,21,39,856 |

| r – 18 th September 2018 | | 2018 | | | 2018 | | | |
|---|--------|----------------|-----------|--------|-----------------|-----------|--------|------------|
| 1st August-31st August 2018 | 111.45 | August 1, 2018 | 717,861 | 88.65 | August 21, 2018 | 848,287 | 99.25 | 12,817,921 |
| 1st July-31st July 2018 | 128.65 | July 31, 2018 | 4,128,042 | 106.6 | July 31, 2018 | 4,128,042 | 114.41 | 8,191,242 |
| 1st Jun-30th Jun 2018 | 139 | June 13, 2018 | 2,775,324 | 102.3 | June 29, 2018 | 747,600 | 118.85 | 9,290,206 |
| 1st May – 31 st May 2018 | 143.2 | May 2, 2018 | 119,410 | 116.05 | May 22, 2018 | 245,868 | 128.78 | 3,221,934 |
| 1st April – 30 th April 2018 | 158.8 | April 4, 2018 | 212,403 | 138 | April 30, 2018 | 55,265 | 149.94 | 1,757,377 |
| 1st March – 31st March 2018 | 149.9 | March 15, 2018 | 173,813 | 128.7 | March 7, 2018 | 328,558 | 139.47 | 7,491,624 |

Source: www.nseindia.com

*Arithmetical average of closing prices

- Notice of the Board Meeting convened to consider the proposal of the Buyback was given to the BSE and NSE on September 11, 2018. The closing price of the Company's equity share on September 10, 2018, the day before the aforesaid intimation, on BSE was Rs. 105.20 and on NSE was Rs. 104.25. The Board, at its meeting held on September 17, 2018, approved the proposal for the Buyback at Rs. 125/- per share and the intimation was sent to BSE and NSE on the same day. The high, low and closing market prices on September 14, 2018 (being the trading day before the date on which the Board Meeting was held to approve the Buyback), on BSE were Rs. 113.60, Rs. 110.10 and Rs. 111.75, respectively and on NSE were Rs. 113.80, Rs. 110.10 and Rs. 111.80, respectively. The closing market price on September 17, 2018 (being the date of the resolution of the Board of directors approving the buy back) was Rs. 106.90 on BSE and Rs. 106.70 on NSE. The closing market price on September 18, 2018 (being the date after the date of the board meeting approving the buy back) was Rs. 104.20 on BSE and Rs. 104.40 on NSE.

17. DETAILS OF STATUTORY APPROVALS

- The Buyback offer is subject to approvals, if any required, under the provisions of the Act, the Buyback Regulations, FEMA and/or such other acts in force for the time being including any approvals from the SEBI and/or the SEC in relation to certain aspects of the tender offer procedures under the Exchange Act that are applicable to the Company due to its shareholding in the United States.
- The Board at its meeting held on September 17, 2018 approved the proposal for the Buyback.
- The Company had requested the staff of the Division of Corporation Finance of the SEC (the "Staff") to grant exemptive relief with respect to Rule 14e-1(a) under the Exchange Act. Rule 14e-1(a) of the Exchange Act provides that a tender offer must remain open for a minimum of 20 business days. The Staff, through its letter dated October 17, 2018, granted the said exemptive relief to the Company, permitting the Buy-back to remain open for a fixed period of 10 working days, in compliance with the Buy-back Regulations.
- The Buyback of Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including RBI, as applicable. It is the obligation of such Non-Resident

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 Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.

5. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
6. As of date, there is no other statutory or regulatory approval required to implement the Buyback, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

18. DETAILS OF THE REGISTRAR TO THE BUYBACK

The Company has appointed the following as the Registrar to the Buyback:

Cameo Corporate Services Limited

Address: Subramaniam building, No.1, Club House Road, Chennai - 600002

Contact Person: Ms. K. Sreepriya

Phone: 91 44 40020700

Fax: 91 44 2846 0129

Email: priya@cameoindia.com

In case of any query, the Shareholders may contact the Registrar, from Monday to Friday, between 10 am to 4 pm, on all working days except public holidays at the above mentioned address.

Eligible Shareholders who wish to tender their Equity Shares in the Buyback can send by registered post/speed post or hand deliver the Tender Form, TRS generated by the exchange bidding system along with all the relevant documents by super-scribing the envelope as "Redington (India) Limited Buyback Offer 2018", to the Registrar at its office set out above, so that the same are received by November 27, 2018 (by 5 p.m. IST).

Eligible Shareholders are required to submit their form(s) with their broker for bidding. After entering a valid bid, the seller broker/Eligible Shareholder, shall send the tender form, along with the requisite documents, either by registered post / courier, to the Registrar to the Buyback, superscribing the envelope as "Redington (India) Limited Buyback Offer 2018", or hand deliver the same to the Registrar at the address mentioned above in paragraph 18. Eligible Shareholders holding Equity Shares in the dematerialized form are requested to refer to paragraph 22.

IT IS NOT MANDATORY FOR ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM TO SUBMIT THE TENDER FORM AND THE TRS.

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

1. The Company proposes to Buyback upto 11,120,000 Equity Shares from 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. 125 (Rupees One Hundred and Twenty Five only) per Equity Share, payable in cash for an aggregate amount not exceeding Rs. 1,39,00,00,000 (Rupees Thirteen Thousand Nine Hundred Lakhs Only), representing 8.22% and 4.32% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves (including securities premium account) as per the audited Financial Statements of the Company for the financial year ended March 31, 2018, (being not more than 10% of the total paid-up equity capital and free reserves of the Company as per the audited accounts for the financial year ended March 31, 2018). The maximum number of Equity Shares proposed to be

bought back represents approximately 2.78% of the total paid-up equity share capital of the Company as on March 31, 2018. The Buyback is in accordance with Article 4(c) 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 Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc.

2. The Promoter of the Company does not hold any Equity Shares of the Company and consequently there is no participation of Promoters in the Buyback.
3. The promoters and Promoter group hold NIL shares as on the date of the Board Meeting and the Record Date, and post buyback there will be no change in the aggregate shareholding of the Promoters and Promoter Group.
4. **Record Date, ratio of Buyback and entitlement of each Shareholder**
 - a. The Board of Directors on September 17, 2018 has fixed September 28, 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.
 - b. The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
 1. Reserved category for Small Shareholders ("**Reserved Category**"); and
 2. General category for all Shareholders other than Small Shareholders ("**General Category**")
 - c. As defined under Regulation 2(i)(n) of the Buyback Regulations, a "Small Shareholder" is a Shareholder who holds Equity Shares having market value, on the basis of closing price on September 28, 2018 (Record Date), of not more than Rs. 2,00,000/- (Rupees Two Lakh only). As on the Record Date, the closing price on NSE, having the highest trading volume was Rs. 93.90 per Equity Share, accordingly all Shareholders holding not more than 2129 Equity Shares as on the Record Date are classified as 'Small Shareholders' for the purpose of the Buyback Offer.
 - d. Based on the above definition, there are 29,156 Small Shareholders with aggregate shareholding of 89,03,539 Shares, as on the Record Date, which constitutes 2.22% of the outstanding paid up equity share capital of the Company and 80.07% of the number of Equity Shares which are proposed to be bought back as part of this Buyback Offer.
 - e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 16,68,000 Equity Shares which is higher of:
 - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e.15% of 1,11,20,000 Equity Shares which works out to 16,68,000 Equity Shares; or
 - ii. The number of Equity Shares to which the Small Shareholders are entitled, as per their shareholding as on Record Date i.e (89,03,539/40,01,72,685) X 1,11,20,000 which works out to 2,47,412 Equity Shares.
 - f. Based on the above analysis and in accordance with Regulation 6 of the Buyback Regulations, 16,68,000 Equity Shares have been reserved for the Small Shareholders ("**Reserved Category**") and accordingly, the General Category for all other Eligible Sellers shall consist of 94,52,000 Equity Shares ("**General Category**")
 - g. In order to ensure that the same Eligible Seller with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Seller with a common Permanent Account Number ("**PAN**") shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Sellers holding physical shares, where the sequence

of PAN is identical and where the PANs of all joint shareholders are not available, the Registrar will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body – broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

- h. Based on the above, the entitlement ratio of Buyback for both categories is decided as below:

Category Entitlement Ratio of Buyback

| Category | Entitlement Ratio of Buyback* |
|-------------------|---|
| Reserved Category | 71 Equity Shares out of every 391 fully paid-up Equity Shares held on the Record Date |
| General Category | 5 Equity Shares out of every 207 fully paid-up 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 Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 0.187341235883843% and General category for all other Eligible Shareholders is 0.02415728430578%.*

5. Fractional Entitlements

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold 5 or less Equity Shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for additional Equity Shares.

6. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category

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

- a. Full acceptance of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b. Post the acceptance as described in paragraph 19.6.(a), in case, there are any Shares left to be bought back in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered additional Shares, shall be given preference and one Equity Share each from the additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c. Post the acceptance as described in paragraph 19.6(a) and (b), in case, there are any validly tendered unaccepted Shares in the Reserved Category (“**Reserved Category Additional Shares**”) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and

the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.6(b), shall be reduced by one.

- d. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6(c), will be made as follows:
- For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

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

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

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

8. **Basis of Acceptance of Equity Shares between the two categories**

- a. After acceptances of tenders, as mentioned in paragraph 19.6 and 19.7, in case, there are any Shares left to be bought back in one category ("**Partially Filled Category**") and there are additional unaccepted validly tendered Shares ("**Further Additional Shares**") in the second category ("**Over Tendered Category**"), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid acceptances per Shareholder shall be equal to Further Additional Shares validly tendered by the Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially Filled Category.
- b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has 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 in paragraph 19.8(a) out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.

- c. Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8(a):
- For any Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19.

9. For avoidance of doubt, it is clarified that, in accordance with the clauses above:

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

20. PROCEDURE FOR TENDERING SHARES AND SETTLEMENT

1. The Buyback is open to all Equity Shareholders / beneficial owners of the Company holding Equity Shares either in physical and/or dematerialized form on the Record Date.
2. The Company proposes to effect the Buyback through the 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 Eligible Shareholders
3. The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 25 below. 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.
4. The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/ sale of such shares. The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buyback by the Eligible Shareholders, on the basis of the Buyback entitlement as on the Record Date.

5. Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback. The Board or Buyback Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
6. Eligible Shareholders' participation in Buyback is voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be Accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering Additional Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buyback entitlement for any Eligible Shareholder is not a round number, then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback. The acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of the procedure outlined herein.
7. The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.
8. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
9. As elaborated under paragraph 19.4(h) above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for all other Eligible Shareholders. The Buyback Entitlement of Eligible Shareholders in each category shall be calculated accordingly.
10. Post acceptance of the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be Accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
11. The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI Circular and following the procedure prescribed in the Companies Act, the Share Capital Rules and the Buyback Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.
12. For implementation of the Buyback, the Company has appointed Axis Capital Limited as the registered broker to the Company (the "**Company's Broker**") to facilitate the process of tendering of Equity Shares through Stock Exchange Mechanism for the Buyback as described in this paragraph 20.12. In the tendering process, the Company's Broker may also process the orders received from the eligible Shareholders. The contact details of the Company's Broker are as follows



Axis Capital Limited

5th Floor, Axis House, C-2 Wadia International Centre,

P. B. Marg, Worli, Mumbai - 400 025

Contact Person: Mr. Ram Shinde, Tel: +91 22 4325 5579 ,

Email: QIB@axiscap.in

Website: www.axiscapital.co.in

SEBI Registration No. NSE Capital Market: INB231387235; BSE Equity: INB011387330

CIN: U51900MH2005PLC157853

13. The Company will request BSE to provide the separate acquisition window to facilitate placing of sell orders by shareholders who wish to tender Equity Shares in the Buyback. The BSE would be

the designated stock exchange for the Buyback ("**Designated Stock Exchange**"). The details of the platform will be specified by Designated Stock Exchanges from time to time. In case Eligible Shareholders registered stock broker is not registered with BSE, Eligible Shareholders may choose to approach Company's Broker to place its bid.

14. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers ("**Seller Member(s)**").
15. In the event Seller Member(s) are not registered with the Designated Stock Exchange or if the Eligible Shareholders do not have any stock broker then that Eligible Shareholders can approach any stock broker registered with the Designated Stock Exchange and can make a bid by using quick unique client code ("**UCC**") facility through that stock broker registered with the Designated Stock Exchange after submitting the details as may be required by the stock broker to be in compliance with the Buyback Regulations. In case Eligible Shareholders is not able to bid using quick UCC facility through any other stock broker registered with the Designated Stock Exchange, then the Eligible Shareholders may approach Company's Broker viz. Axis Capital Limited, to bid by using quick UCC facility after submitting requisite documents.

In case of Eligible Shareholder being an individual

If Eligible Shareholder is registered with KYC Registration Agency ("KRA**"): Forms required:**

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

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

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

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

In case Eligible Shareholder is an HUF:

If Eligible Shareholder is registered with KYC Registration Agency ("KRA**"): Forms required:**

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

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

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

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

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

In case of Eligible Shareholder other than Individual and HUF:

If Eligible Shareholder is KRA registered: Form required

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

If Eligible Shareholder is not KRA registered: Forms required:

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

Additionally, registered Eligible Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in Paragraph 20.23(a).

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

16. All Eligible Shareholders, through their respective Seller Member 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.
17. During the Tendering Period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Seller Members during normal trading hours of the secondary market.
18. Seller Members can enter orders for Equity Shares in demat form as well as Equity Shares in physical form.
19. Modification/ cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.

20. The cumulative quantity tendered shall be made available on websites of the Stock Exchanges at www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
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.
22. **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form**
- a) Eligible Shareholders who desire to tender their Equity Shares in the electronic form under Buyback would have to do so through their respective Seller Member by indicating to their Seller Member the details of Equity Shares they intend to tender under the Buyback.
 - b) The Seller Member would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the Designated Stock Exchange. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of the Clearing Corporation, by using the early pay in mechanism of the Depository prior to placing the order/ bid on the platform of the Stock Exchanges by the Seller Member. For further details, Eligible Shareholders may refer to the circulars issued by the Stock Exchange/ Clearing Corporation.
 - c) The details of the settlement number of the special account of the Clearing Corporation 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.
 - d) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order/bid by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours (i.e., 3:30 p.m.) 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 shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
 - e) Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered, etc.
 - f) 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/court approved scheme of merger/amalgamation for a company, 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).
 - g) in case of demat equity shares, submission of Tender Form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Eligible Shareholders holding Equity Shares in demat form have successfully tendered the Equity Shares in the Buyback.
 - h) The cumulative quantity tendered shall be made available on the website of the Stock Exchanges throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

- i) 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 savings bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company

23. Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in Physical form

- a) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Seller Members along with the complete set of documents for verification procedures to be carried out including the (i) original 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, and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of an Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, such 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.
- b) Based on the documents mentioned in paragraph 20.23(a) above, the concerned Seller Member shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Buyback using the acquisition window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the Stock Exchanges' bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.
- c) After placing the Bid, the Seller Member of the Eligible Shareholder has to deliver the original share certificate(s) and documents (as mentioned in paragraph 20.23(a) above along with TRS either by registered post or courier or hand delivery to the Registrar (at the address mentioned at paragraph 20 above not later than by November 27, 2018 by 5:00 p.m. The envelope should be super scribed as "Redington (India) Limited Buyback Offer 2018". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/ Eligible Shareholder.
- d) Eligible Shareholder holding physical Equity Shares should note that physical Equity Shares will not be Accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'confirmed bids'.
- e) 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 and Transfer Agent of the Company.
- f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible 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.

24. **For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 19 “Details of the Statutory Approvals”):**

- a) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs/FPIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- b) In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Shareholder shall 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 the non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Seller is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Seller 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.
- c) If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

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.

25. **In case of non-receipt of the Letter of Offer:**

- a) **In case the Equity Shares are 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.redingtonindia.com or the website of the registrar www.cameoindia.com, by providing their application in writing on plain paper, signed by all Equity Shareholders, stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback
- b) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buyback by providing their application in writing on plain paper signed by all Eligible Shareholders stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original share. certificate(s), copy of Eligible Shareholders' PAN card(s) and executed share transfer form in favour of the Company. The transfer form SH-4 can be downloaded from the Company's website i.e. www.redingtonindia.com. After placing the Bid through Seller Member, the Seller Member of the Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.23(a) above), reach the Registrar by November 27, 2018 by 5:00 p.m. If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar and Transfer Agent of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback.

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

The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the

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

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

26. Method of Settlement

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

- 1 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.
- 2 The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. For demat Equity Shares Accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, such funds will be transferred to the concerned Seller Members' settlement bank account for onward transfer to such Eligible Shareholders holding Equity Shares in dematerialized form.
- 3 In case of certain client types viz. Non-Resident Shareholders. (where there may be 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 Stock Exchanges and the Clearing Corporation from time to time.
- 4 For the Eligible Shareholders holding Equity Shares in physical form, the funds payout would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- 5 The Equity Shares bought back in demat form would be transferred directly to the Company Demat Account provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.
- 6 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 non-acceptance of shares under the Buyback.
- 7 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholder's DP account, 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 Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant. The Seller Members / custodian participants would return these unaccepted Equity Shares to their respective clients on whose behalf the bids have been placed. Any excess physical Equity Shares 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.

- 8 The Company's Broker would also issue a contract note to the Company for the Equity Shares Accepted under the Buyback. If Eligible Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Shareholders will be transferred to the Seller Member for onward transfer to the Eligible Shareholder.
- 9 Shareholders who intend to participate in the Buyback should consult their respective Seller Members for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Seller Members, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders
- 10 The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Regulations.

27. Rejection Criteria

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

For Eligible Shareholders holding shares in the dematerialized form if:

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

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

- a) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours on November 27, 2018 by 5:00p.m.;
- b) If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar and Transfer Agent.
- f) The documents mentioned in instruction number 3 and 4 of the Tender Form for physical Equity Shareholders are not received by the Registrar before the close of business hours to the Registrar on or before November 27, 2018 by 5 PM.
- g) Where there exists any restraint order of a Court/ any other competent authority for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

21. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND

THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

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

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY-BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. GENERAL

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

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

The ITA also provides for different tax regimes / rates applicable to the gains arising on buy-back of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buy-back of equity shares listed on the stock exchanges in India is set out below.

All references to equity shares in this note refer to equity shares listed on the stock exchanges in India unless stated otherwise.

2. CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

A) Resident Shareholders being:

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

B) Non-Resident Shareholders being:

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

3. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

- A) Shares held as investment (Income from transfer taxable under the head "Capital Gains")
- B) Shares held as stock-in-trade (Income from transfer taxable under the head "Profits and Gains of

Business or Profession”, hereinafter referred to as “business income”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).

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

A) SHARES HELD AS INVESTMENT

i. As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital Gains on Buy-back of shares are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of computation of Capital Gain contained in Section 48 of the Income Tax Act. The provisions of buy-back tax on the Company under Section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange.

ii. Period of holding

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

- In respect of equity shares 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 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**”).

iii. Buy-back of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognized stock exchange, they are liable to Securities Transaction Tax (‘STT’). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the recognized stock exchanges in India. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

LTCG arising from such transaction was exempt under Section 10(38) of the Income Tax Act up to 31st March, 2017 subject to fulfilment of certain conditions which mainly included that such sale transaction is chargeable to securities transaction tax. In case of Buy-back herein, securities transaction tax is chargeable and accordingly the LTCG arising on tendering of shares under Buy-back was exempt till 31st March, 2017. With effect from 1st April, 2017, a third proviso has been inserted in Section 10(38) of ITA vide Finance Act, 2017 which additionally requires that the exemption u/s. 10(38) of ITA on sale of equity shares would be available if acquisition of such equity shares was chargeable to securities transaction tax in cases of acquisition of equity shares on or after 1st October, 2004, other than such acquisition which may be notified by the Central Government. Pursuant to such powers conferred by third proviso to Section 10(38), the Central Government has exempted all transactions of acquisition of equity shares on or after 1st October, 2004 except few transactions vide Notification No. S.O. 1789(E) dated June 5, 2017. Therefore, tax treatment of LTCG may be different for each Shareholder depending on whether the transaction of acquisition of equity shares which are tendered in the Buy-back falls under the exemption u/s. 10(38) or otherwise. In case, LTCG arising from tendering of equity shares under the Buy-back doesn’t fall under tax exemption u/s. 10(38), such LTCG shall be subject to tax u/s. 112 of the Income Tax Act @ 20% with indexation benefit or @ 10% without indexation benefit.

However, with effect from 1st April 2018 the exemption provided u/s. 10(38) of ITA has been withdrawn and levy tax on LTCG exceeding Rs. 1 Lac in a financial year arising on transfer of listed equity shares @ 10% without allowing the benefit of indexation. However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of i) the actual cost of acquisition of such equity shares acquired before 1st February, 2018 or ii) the lower of a) the highest

price of such equity shares quoted on the recognised stock exchange on the 31st January, 2018; or b) the actual sale value of such equity shares.

- STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the Income Tax Act.

iv. 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 taxable under Section 111A of the Income Tax Act. In such cases, where the total income as reduced by such STCG is below the maximum amount not chargeable to tax, then such STCG shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income tax and on the balance of STCG, if any, income tax @ 15% is charged. In addition to the above STCG tax, surcharge, education cess and secondary and higher education cess are leviable (Please refer to paragraph 5. below for rate of surcharge and cess).

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

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

B) SHARES HELD AS STOCK-IN-TRADE

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

i. Resident Shareholders

a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.

b) Domestic company having turnover or gross receipts not exceeding Rs. 50 Crore in the previous year i.e. 2015-16 would be taxable @ 25%. However, with effect from 1st April, 2018 a domestic company having turnover or gross receipts not exceeding Rs. 250 Crore in the previous year i.e. FY 2016-17 would be taxable @ 25%.

c) For persons other than stated in (a) and (b) above, profits would be taxable @ 30% or other applicable tax rate.

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

ii. Non-Resident Shareholders

a) Non-resident shareholders can avail beneficial provisions of the applicable DTAA, if any, entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

b) Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- For foreign companies, profits would be taxed in India @ 40%.
- For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, surcharge, education cess and secondary and higher education cess are leviable (Please refer to paragraph 21.5. below for rate of surcharge and cess).

4. TAX DEDUCTION AT SOURCE

A) In case of Resident Shareholders

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

B) In case of Non-resident Shareholders

Since the Buy-back is undertaken through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the Non-Resident Shareholder. The Non-Resident shareholder must appropriately compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians/authorized dealers/ tax advisors appropriately.

The non-resident shareholders undertake to indemnify the Company, if any tax demand is raised on the Company on account of gains arising to the non-resident shareholders on buy-back of Equity Shares by the Company. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buy-back of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

5. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, surcharge, education cess and secondary and higher education cess are leviable as under:

A) Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the taxable income exceeds Rs.10 crores and @ 7% where the taxable income exceeds Rs.1 crore but does not exceed Rs.10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the taxable income exceeds Rs.10 crores and @ 2% where the taxable income exceeds Rs.1 crore but does not exceed Rs.10 crores.
- In case of individual, HUF, AOP, BOI: Surcharge @15% is leviable where the taxable income exceeds Rs.1crore and @ 10% where the taxable income exceeds Rs. 50 lakh but does not exceed Rs.1 crore
- In case of Firm, Local Authority: Surcharge @12% is leviable where the taxable income exceeds Rs. 1 crore.

B) Cess

Education cess @ 2% and secondary and higher education cess @ 1% is leviable in all cases till Financial Year 2017-18. However, with effect from 1st April 2018 cess is levied as "Health and Education Cess" @ 4%.

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

22. DECLARATION FROM THE BOARD OF DIRECTORS

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

The Board made the aforementioned declaration as on the date of passing the board resolution approving the Buyback i.e. September 17, 2018, as reproduced below:

"The Board of Directors confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- i. That immediately following the date of Board meeting held on September 17, 2018 , there will be no grounds on which the Company can be found unable to pay its debts.
- ii. That as regards the Company's prospects for the year immediately following the date of the Board meeting held on September 17, 2018, and 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 this board meeting.

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

Sd/-

Sd/-

Mr. Raj Shankar
Managing Director
DIN: 00238790

Mr. E.H. Kasturi Rangan
Whole Time Director
DIN: 01814089

23. AUDITOR'S CERTIFICATE

The Board of Directors
Redington (India) Limited
SPL Guindy House
95, Mount Road
Chennai – 600 032

Dear Sirs,

Statutory Auditor's Report in respect of proposed buy back of equity shares by Redington (India) Limited in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018 ('the SEBI Buyback Regulations')

1. This report is issued in accordance with the terms of our engagement letter dated September 11, 2018. The Board of Directors of Redington (India) Limited ('the Company') have approved a proposed buy-back of equity shares by the Company at its meeting held on September 17, 2018, in pursuance of the provisions of section 68, 69 and 70 of the Companies Act, 2013 ('the Act') read with the SEBI Buyback Regulations.
2. The accompanying Statement of permissible capital payment ('Annexure A') as at March 31, 2018 (hereinafter referred to as 'the Statement') is prepared by the management, which we have initialled for identification purposes only.

Management's responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(b) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buyback Regulations, is the responsibility of the management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's responsibility

4. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:
 - i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements for the year ended March 31, 2018;

- ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements in accordance with Section 68(2)(b) of the Act; and
 - iii. if the Board of Directors in their meeting dated September 17, 2018, have formed the opinion as specified in clause (x) of Schedule I to 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.
5. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. Within the scope of our work, we performed the following procedures:
 - i. Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2)(b) of the Act;
 - ii. Inquired into the state of affairs of the Company with reference to the audited financial statements;
 - iii. Examined the Board of Directors' declarations for the purpose of buy back and solvency of the Company; and
 - iv. Obtained appropriate representations from the management of the Company.
6. The standalone financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated May 21, 2018.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:
 - i. We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended March 31, 2018;
 - ii. The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith is in our view properly determined in accordance with Section 68(2)(b) of the Act; and
 - iii. The Board of Directors of the Company, in their meeting held on September 17, 2018 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, 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 date of passing the Board meeting resolution dated September 17, 2018.

Restriction on use

10. This report has been issued at the request of the Company solely for use of the Company (i) 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 Depository Limited; and (ii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

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

Chartered Accountants

ICAI Firm Registration Number: 101248W/W-100022

Sd/-

S Sethuraman

Partner

Membership No. 203491

Place: Chennai

Date: September 17, 2018

Annexure A – Statement of permissible capital payment (including premium)

Computation of amount of permissible capital payments towards buy back of equity shares of Redington (India) Limited in accordance with the provisions of Section 68(2)(b) of the Companies Act, 2013 and the SEBI Buyback Regulations, 2018

| Particulars | Amount (in INR lakhs) |
|---|--------------------------|
| Paid up equity share capital as on March 31, 2018 * (400,172,685 equity shares of INR 2 each fully paid up) | 8,003 |
| Free reserves as on March 31, 2018 # | |
| General reserve * | 9,030 |
| Securities premium * | 35,730 |
| Surplus in the statement of profit and loss * | 116,298 |
| Total of free reserves as on March 31, 2018 | 161,058 |
| Total of paid up equity share capital and free reserves as on March 31, 2018 | 169,061 |
| Maximum amount permissible for buyback under Section 68(2)(b) of the Companies Act, 2013 (10% of the total paid up equity share capital and free reserves as per audited standalone financial statements as of and for the year ended March 31, 2018) | 16,906 |
| Buyback offer size permitted by Board Resolution dated September 17, 2018 | 13,900 |

* The amounts have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2018 and have been rounded-off to the nearest lakhs.

Free reserves as per sub clause 43 of Section 2 and explanation II to section 68 of the Act.

For **Redington (India) Limited**

Sd/-

M. Muthukumarasamy

Company Secretary

Place: Chennai

Date: September 17, 2018

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection during the Tendering Period at the registered office of the Company at SPL Guindy House, 95, Mount Road, Guindy ,Chennai ,Tamil Nadu ,600032 on any working day (i.e. Monday to Friday and not being a bank holiday) between 11:00 am to 2:00 pm up to the date of closure of the Buyback.

- (a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association of Redington (India) Limited
- (b) Copy of the audited financial statements of Redington (India) Limited for the years ended March 31, 2018, and annual reports for the years ended March 31, 2017, March 31, 2016, and March 31, 2015;
- (c) Copy of the resolution passed by the Board of Directors at the meeting held on September 17, 2018 approving proposal for Buyback;
- (d) Copy of Certificate dated September 17, 2018 received from BSR & Co. LLP in terms of clause (xi) of Schedule I of the Buyback Regulations;
- (e) Copy of Declaration of solvency and an affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act;
- (f) Copy of Escrow Agreement dated September 21, 2018 between Redington (India) Limited, the Escrow Agent and the Manager to the Offer;
- (g) Confirmation letter by the Escrow Agent dated October 22, 2018 that the Escrow Account has been opened and Escrow Amount has been deposited;
- (h) Certificate dated September 17, 2018 received from Mr. V. Mahesh, partner of V. Mahesh and Co, Chartered Accountants, certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations;
- (i) Copy of Public Announcement published in the newspapers on September 19, 2018 regarding Buyback of Equity Shares; and
- (j) Copy of SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2018/29488 dated October 22, 2018 received on October 23,2018.
- (k) Copy of the exemptive relief letter issued by the SEC dated October 17, 2018.

25. DETAILS OF THE COMPLIANCE OFFICER AND INVESTOR SERVICE CENTER

In case of any query, the Shareholders may contact the Registrar to the Buyback, from Monday to Friday between 10 am to 4 pm on all working days except public holidays at the above mentioned address. The contact information of the Registrar to the Buyback is provided at paragraph 18.

The Company has designated the following as the Compliance Officer for the Buyback:

| | |
|-------------|--|
| Name | Mr. M. Muthukumarasamy |
| Designation | Company Secretary |
| Address | Ground Floor, "Centre Point" Plot No. 8 and 11 (SP) Thiru-Vi-Ka Industrial Estate, Ekkaduthangal Guindy, Chennai - 600 032 |
| Tel | +91 44 4224 3353 |
| Fax | + 91 44 22253799 |
| Email id | mmkumar@redington.co.in |

In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer, from Monday to Friday between 11 am to 5 pm on all working days except public holidays, at the above mentioned address.

26. REMEDIES AVAILABLE TO 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 for redressal.

If the Company makes any default in complying with the requirements under the Act or any rules made thereunder as may be applicable to the Buyback, the Company or any officer of the Company who is in default shall be liable in terms of the Act..

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

Registrar of Companies, Chennai
5th Floor, Shastri Bhawan, 26,
Haddows Road, Chennai- 600006

27. DETAILS OF THE MANAGER TO THE BUYBACK

The Company has appointed the following as Manager to the Buyback:

AXIS CAPITAL LIMITED

Address: 1st Floor, Axis House, C-2 Wadia International
Centre, P.B. Marg, Worli, Mumbai - 400025

Phone : +91 22 4325 2183

Fax: +91 22 4325 3000

Contact Person: Ms. Simran Gadh

Email: ril@axiscap.in

Website: www.axiscapital.co.in

SEBI Registration Number: INM000012029



28. DECLARATION BY THE DIRECTORS

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for all the information contained in this Letter of Offer. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on September 17, 2018.

For and on behalf of all members of the Board of Directors of Redington (India) Limited

Sd/-

Raj Shankar
Managing Director
DIN: 00238790

Sd/-

E.H. Kasturi Rangan
Whole Time Director
DIN: 01814089

Sd/-

M. Muthukumarasamy
Company Secretary
Membership No. A13301

Date: October 24,2018

Place: Chennai

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