

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer ("**Exit Offer Letter**") is being sent to you as a shareholder(s)/beneficial owner(s) of Amol Minechem Limited ("**Company**") on the Record date (i.e. July 19, 2019). For any clarification/help on the subject, you are advised to contact the Registrar, Link Intime India Pvt. Ltd., Mumbai or the Company Secretary of the Company.

Amol Minechem Limited
(Formerly known as Amol Dicalite Limited)
Corporate Identity Number (CIN): L14100GJ1979PLC003439
Registered Address: 401, "Akshay", 53 Shrimali Society Mithakhali, Navrangpura
Ahmedabad- 380009, Gujarat, India
Tel: +91-79-40246246; **Fax:** +91-79-26569103
E-mail: info@amolminechem.com; **Website:** www.amolminechem.com;
Contact Person: Mr. Y. M. Joshi, Company Secretary & Compliance Officer

OFFER FOR BUY-BACK

Offer to buy-back up to 180,000 (One Lakh Eighty Thousand) fully paid-up equity shares of the Company of face value of ₹ 10/- (Rupees Ten Only) each ("**Equity Shares**") from all public shareholders / beneficial owners of Equity Shares of the Company on a proportionate basis, through the Tender Offer mechanism at a price of ₹ 475/- (Rupees Four Hundred Seventy Five Only) per Equity Share ("**Buy-back Price**") for an aggregate amount of ₹ 8,55,00,000/- (Rupees Eight Crores Fifty Five Lakhs Only) constituting 20.49% and 23.14% of the total paid up share capital, free reserves and securities premium account as per the standalone audited financial statements and consolidated audited financial statements, respectively, of the Company for the financial year ended March 31, 2019.

1. The Buy-back is being undertaken through private offer pursuant to Article 14 of the Articles of Association of the Company, Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") as amended and Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 as amended.
2. This Letter of Offer is being sent to all the public shareholders / beneficial owners holding Equity Shares of the Company as on the Record Date i.e. July 19, 2019 ("**Eligible Shareholders**")
3. The procedure for tendering the Equity Shares under the offer is set out in Paragraph 14 of this Letter of Offer. The Tender Form is enclosed together with this Letter of Offer.
4. Registered shareholders who wish to offer their shares should submit the offer form along with the necessary documents by hand delivery during the business hours, i.e., 10.00 AM to 5.00 PM, Monday to Friday (Except public Holiday) or by Registered Post, at their own risk and cost, to the Registrar, Link Intime India Pvt. Ltd., Mumbai or at Registered Office of the Company on or before August 23, 2019 before close of the business hours.
5. As required, a copy of this Letter of Offer has been submitted to the ROC. It is to be distinctly understood that submission of this Letter of Offer to the Registrar of Companies should not in any way be deemed or construed to mean that the same has been cleared or approved by Registrar of Companies.
6. The Company affirms that the disclosures made in this Letter of Offer are in conformity with the Companies Act, 2013, as amended and Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 as amended.

BUY-BACK PROGRAMME

Buy-back Opens on Thursday, July 25, 2019

Buy-back Closes on Friday August 23, 2019

1. DETAILS OF THE OFFER

- 1.1 The Buy-back has been authorized by a resolution passed by the Board of Directors on May 31, 2019. The Board of Directors had sought approval of the shareholders of the Company for Buy-back, by a special resolution, through notice of postal ballot dated May 31, 2019 ("**Postal Ballot Notice**"), the results of which were announced on July 8, 2019. The shareholders of the Company have approved the Buy-back by special resolution through postal ballot process.
- 1.2 The Company intends to buy-back upto 1,80,000 (One Lakh Eighty Thousand) Equity Shares (representing 25% of total number of Equity Shares of the Company) of face value of ₹ 10/- (Rupees Ten) each at a price of ₹475/- (Rupees Four Hundred Seventy Five) per Equity Share with the total aggregate amount to be utilized not to exceed ₹8,55,00,000/- (Rupees Eight Crores Fifty Five Lakhs), which is within the limit prescribed under Section 68 (2)(c), that is 25% of the Company's total paid-up share capital and free reserves (including securities premium account) as per latest standalone and consolidated financial statement of the Company for the financial year ended on March 31, 2019.

2. AUTHORITY FOR THE BUY-BACK

- 2.1 This Buy-back is pursuant to Article 14 of the Articles of Association of the Company, Sections 68, 69, 70 and other applicable provisions, if any, of the Act and Rule 17 of Companies (Share Capital and Debentures) Rules, 2014.
- 2.2 This Buy-back has been duly authorised by a resolution passed by the Board of Directors on May 31, 2019 and has been authorised by the Equity Shareholders by a special resolution through postal ballot (including e-voting) in accordance with the provisions of Section 110 of the Act and Rule 22 of the Management Rules, the results of which were announced on July 8, 2019.

3. TIME TABLE FOR THE BUY BACK OFFER

The time table for the Buy Back Offer is as follows:

Sr. No.	ACTIVITY	DATE	DAY
1.	Date of Board Meeting approving the proposal of the Buy-back	May 31, 2019	Friday
2.	Date of passing of special resolution by way of Postal Ballot by the Equity Shareholders of the Company, approving the Buy-back	July 6, 2019	Saturday
3.	Record Date	July 19, 2019	Friday
4.	Dispatch of Letter of Offer	July 23, 2019	Tuesday
5.	Opening of the Buy-back	July 25, 2019	Thursday
6.	Closure of the Buy-back	August 23, 2019	Friday
7.	Last date of receipt of completed Tender Forms and other specified documents by the Registrar	August 26, 2019	Monday
8.	Last date of verification of Tender Forms by the Registrar on or before	August 31, 2019	Saturday
9.	Finalise basis of allocation on or before	August 31, 2019	Saturday
10.	Last date of Acceptance / Rejection of the Offer on or before	August 31, 2019	Saturday
11.	Dispatch of consideration on or before	September 3, 2019	Tuesday
12.	Last date of extinguishment of Equity Shares on or before	September 3, 2019	Tuesday

4. NECESSITY FOR THE BUY BACK OFFER

The Company was originally listed on Ahmedabad Stock Exchange Limited (ASE), w.e.f July 2, 1981 and thereafter ASE got derecognised and thereafter the Equity Shares of the Company got listed on Calcutta Stock Exchange Limited ("**CSE**") w.e.f October 28, 2015. SEBI vide its letter Ref No. SEBI/HO/MRDS/DSA/OW /P/18973/1 dated July 5, 2018 directed that all Exclusively Listed Companies ("**ELCs**") which got listed on CSE would be transferred to Dissemination Board of nationwide stock

exchange(s). CSE vide its letter dated August 10, 2018, informed the Company either to opt for voluntary delisting from CSE as per the SEBI (Delisting of Equity Shares) Regulations, 2009 or may obtain listing on any nation-wide stock exchanges. As per notice published by CSE with reference No. CSE/LD/14519 dated 13/02/2019, the company was thereafter shifted to the Dissemination Board of NSE. NSE vide its letter dated April 8, 2019 informed the Company that CSE has transferred the Company to the Dissemination Board of NSE. Further SEBI vide its letter No. SEBI/ HO/ MRD/ DSA/OW/P/7372/1 dated March 20, 2019 has clarified that SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 and all circulars guidelines issued by SEBI from time to time for all ELCs shall be applicable to companies transferred from CSE to Dissemination Board of NSE.

The Board of Directors of the Company at its meeting held on May 31, 2019, after due consideration, formed an opinion that the Company shall provide an exit opportunity to all Public Shareholders by way of buy-back of the Equity Shares by the Company from its existing public shareholders to comply with the SEBI Circular.

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

The Management Discussion and Analysis on likely impact of Buy-back Offer on the Company's earnings, holdings of Non-Resident Indians/Foreign Institutional Investors etc., Promoter's holdings and change in the management structure is as follows:

- 5.1 The Buy-back Offer is not likely to cause any material impact on the income/profits of the Company except for the loss of income on the amount of cash to be utilised for the Buy-back Offer.
- 5.2 The Buy-back Offer will lead to reduction in the paid up share capital of the Company which will improve the EPS on the residual shares and thereby enhancing the return on residual/invested capital and create long-term shareholder value.
- 5.3 The ratio of the aggregate of secured and unsecured debts owed by the Company immediately after the Buy-back is not more than twice the paid-up capital and free reserves of the Company;

6. **BUY-BACK PRICE AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE:**

The Equity Shares are proposed to be bought back at a price of ₹475/- (Rupees Four Hundred Seventy Five) per Equity Share. The Buy-back price has been arrived at after considering the valuation report of Equity Share as issued by the Independent Valuer i.e. Vivro Financial Services Private Limited, SEBI Registered Category I Merchant Banker, appointed in pursuance of SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016.

The fair value arrived by the Independent Valuer is ₹ 426.12 (Rupees Four Hundred Twenty Six and Twelve Paise) per Equity Share. The Buy-back Price of ₹ 475/- (Rupees Four Hundred Seventy Five) is higher by ₹ 48.88 (Rupees Forty Eight and Eighty Eight Paise) per Equity Share from the fair value of ₹ 426.12 (Rupees Four Hundred Twenty Six and Twelve Paise) as determined by the Independent Valuer.

7. **SOURCES OF FUNDS FOR THE BUY-BACK OFFER AND COSTS THEREOF**

The company proposes to Buy-back a maximum of 1,80,000 Equity Shares each at ₹ 475/-. Assuming full acceptance the funds that would be utilized by the Company for the purpose of buy-back would be ₹ 8,55,00,000/- (Rupees Eight Crores Fifty Five Lakhs Only). The money required for the buy-back will be drawn out of internal funds and free reserves of the Company and will also be met out of the cash/bank balances and/or investments made by the Company.

8. **CAPITAL STRUCTURE AND SHAREHOLDING PATTERN (PRE AND POST BUY-BACK OFFER)**

- 8.1 The capital structure of the Company pre Buy-back and post Buy-back is as follows:

Particulars	Amount (₹)
Authorised Share Capital	
20,00,000 Equity shares of ₹ 10/- each	2,00,00,000/-
Issued, subscribed and paid up capital – Pre Buy-back	
7,20,000 Equity Shares of ₹ 10/-	72,00,000/-
Issued, subscribed and paid up capital – Post Buy-back	
5,40,000 Equity Shares of ₹ 10/-	54,00,000/-

- 8.2 The shareholding pattern of the Company (a) pre Buy-back as on Record date and (b) post Buy-back is as follows:

Sr. No.	Category of Shareholder	Pre Buy-back		Post Buy-back*	
		No. of Shares	% to existing Equity Share capital	No. of Shares	% to post Buy-back Equity Share capital
(i)	Promoters and Members of Promoter Group	4,72,364	65.60	4,72,364	87.47
(ii)	Public (Institutions & Others)	2,47,636	34.40	67,636	12.53
	Total	7,20,000	100.00	5,40,000	100.00

*Assuming response to the Buy-back is 100% (full acceptance). The capital structure post completion of the Buy-back may differ depending on the actual number of Equity Shares bought back under the Buy-back.

- 8.3 Aggregate shareholding of the Promoter Companies as on date of Postal Ballot notice is 55,950 equity shares representing 7.77% of the total paid up equity share capital of the Company.
- 8.4 Aggregate shareholding of the Directors of Promoter Companies as on date of postal ballot notice is 2,47,012 equity shares representing 34.31% of the total paid up equity share capital of the Company.
- 8.5 Aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on date of postal ballot notice is 2,23,412 equity shares representing 31.02% of the total paid up equity share capital of the Company.
- 8.6 **The aggregate number of equity shares purchased or sold by persons mentioned in sub-clause (8.2.(i)) during a period of twelve months preceding the date of the board meeting at which the buy-back was approved and from that date till the date of Postal Ballot notice for approval of the resolution by the Shareholders;**

Name of the Promoter	Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Acquisition Price per Equity Share (₹)	Total Consideration (₹)
Mr. Shreyas Chinubhai Sheth	06.05.2019	(Purchase) Inter-se Transfer of Shares among Promoters	1,36,000	10/-	345	4,69,20,000/-
Mr. Pratik Shreyas Sheth	06.05.2019	(Purchase) Inter-se Transfer of Shares among Promoters	80,000	10/-	345	2,76,00,000/-
Mr. Darshan Sheth	25.07.2018	SELL	400	10/-	400	1,60,000/-
	10.12.2018	SELL	500	10/-	580	2,90,000/-
	09.01.2019	SELL	1000	10/-	600	6,00,000/-
Ms. Nupur D Sheth	03.01.2019	SELL	50	10/-	590	29,500/-
	18.01.2019	SELL	1000	10/-	600	6,00,000/-
D.B.Sheth Investment Pvt. Ltd.	03.01.2019	SELL	950	10/-	590	5,60,500/-

8.7 **The maximum and minimum price at which purchases and sales referred to in sub-clause (8.6) were made along with the relevant date;**

Maximum price	Minimum price
₹ 600/- per Equity Share	₹ 345/- per Equity Share
Date of Maximum Price	Date of Minimum Price
January 9 and 18, 2019	May 6, 2019

8.8 The Company has not bought back equity shares or other specified securities in the previous three years.

8.9 All the Equity Shares which the Company proposes to buy-back are fully paid-up.

8.10 The Company shall not issue any new shares including by way of bonus shares from the date of passing of special resolution authorizing the buy-back till the date of the closure of the offer, except those arising out of any outstanding convertible instruments.

8.11 The Company shall transfer from its free reserves sum equal to the nominal value of the Equity Shares purchased through Buy-back to the capital redemption reserve account and details of such transfer shall be disclosed in the subsequent audited Balance Sheet.

8.12 The Company shall open a separate escrow bank account for the purpose of Buy-back which will be adequately funded and the Company shall pay the consideration only by way of cash.

8.13 The Company shall not withdraw the Buy-back Offer once it has announced the offer to the shareholders.

8.14 No money borrowed from banks and financial institutions will be utilized for the purpose of Buy-back.

8.15 No proceeds of an earlier issue of the same kind of shares or same kind of other specified securities will be utilized.

9. **BRIEF INFORMATION ABOUT THE COMPANY**

9.1 The Company was incorporated as a public limited company in the name of Amol Dicalite Limited under the Companies Act, 1956 and was granted the Certificate of Incorporation on July 2 1979 by the Registrar of Companies, Gujarat. The Company received the certificate of commencement of business on July 23, 1979. The name of the Company was changed to 'Amol Minechem Limited' pursuant to a fresh certificate of incorporation issued by Registrar of Companies, Gujarat Dadra & Nagar Haveli on July 15, 2019. The CIN of the Company is L14100GJ1979PLC003439.

9.2 The Company's registered office is situated at 401 Akshay Building, 53 Shrimali Society Mithakhali, Navrangpura, Ahmedabad- 380009, Gujarat, India.

9.3 The Company is engaged into manufacturing of perlite based products and solutions. The product portfolio of the company includes Perlite Filteraids, Expanded Perlite, Perlite Rigid Blocks & Pipe Sections, Perlimix, Super-soil and Perlite Ore. The Company also deals in Cryogenic Insulation jobs, Thermal Insulation jobs and other allied products and services.

9.4 **The Board of Directors of the Company is as follows-**

Name	DIN	Designation	Date of Appointment
Mr. Shreyas Chinubhai Sheth	00009350	Managing Director	July 1, 2009
Mr. Naishadh Indrakant Parikh	00009314	Director	October 26, 2004
Mr. Ashok Chandrakant Gandhi	00022507	Director	July 2, 1979
Mr. KaushikDhirajlal Shah	00024305	Director	February 17, 1988
Mr. Darshan Bipin Sheth	00133960	Director	May 30, 2013
Mrs. Priti Shreyas Sheth	02409190	Director	February 10, 2015

10. **FINANCIAL INFORMATION ABOUT THE COMPANY:**

10.1 The salient features of the financial information of the Company as extracted from the audited standalone and consolidated financial statements for financial years ended March 31, 2019 and March 31, 2018, prepared under Ind AS and from the audited standalone and consolidated financial statements for financial year ended on March 31, 2017, prepared under erstwhile Indian Generally Accepted Accounting Principles ("IGAAP") are set out below:

(₹ in Lakhs)

Consolidated			
Particulars	As at and for the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
	(Audited)	(Audited)	(Audited)
Total Income	3,306.66	4,798.31	3808.11
Total Expenses (excluding Finance Costs and Depreciation)	2,653.82	3,398.39	2,885.86
Finance Cost	30.75	44.85	102.95
Depreciation	218.08	301.80	312.24
Exceptional Items	0.00	0.00	0.00
Profit Before Tax	404.00	1,053.27	507.06
Tax Expense	156.88	247.35	185.85
Profit After Tax	247.12	805.92	321.22
Other Comprehensive Income	-2.45	-11.31	Not Applicable
Total Comprehensive Income for the Year	244.67	794.61	Not Applicable
Equity Share Capital	72.00	72.00	72.00
Reserves & Surplus*	3,626.86	3,438.01	2,633.42
Net worth*	3,698.86	3,510.01	2,705.42
Total debt (excluding working capital loans)	0.00	23.39	258.71

* excluding revaluation reserves.

(₹ in Lakhs)

Standalone			
Particulars	As at and for the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
	(Audited)	(Audited)	(Audited)
Total Income	3,272.24	4,193.37	3,466.63
Total Expenses (excluding Finance Costs and Depreciation)	2,475.73	2,966.17	2,503.51
Finance Cost	26.41	36.53	96.33
Depreciation	216.35	299.50	304.55
Exceptional Items	0.00	0.00	0.00
Profit Before Tax	553.76	891.18	562.23
Tax Expense	156.88	247.35	185.85
Profit After Tax	396.87	643.83	376.38
Other Comprehensive Income	-2.45	-11.31	Not Applicable
Total Comprehensive Income for the Year	394.42	632.52	Not Applicable
Equity Share Capital	72.00	72.00	72.00
Reserves & Surplus*	4,104.99	3,732.27	3,120.22
Net worth*	4,176.99	3,804.27	3,192.22
Total debt (excluding working capital loans)	0.00	23.39	258.71

* excluding revaluation reserves.

10.2 The financial ratios of the Company as extracted from the audited standalone and consolidated financial statements financial years ended March 31, 2019 and March 31, 2018, prepared under Ind AS and from the audited standalone and consolidated financial statements for financial year ended on March 31, 2017, prepared under IGAAP are set out below:

Consolidated			
Particulars	As at and for the Year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
	(Audited)	(Audited)	(Audited)
Earnings per Share - Basic (₹) ⁽¹⁾	34.32	111.93	44.61
Earnings per Share - Diluted (₹) ⁽¹⁾	34.32	111.93	44.61
Book Value Per Share (₹) ⁽²⁾	513.73	487.50	375.75
Return on Net worth (%) ⁽³⁾	6.68%	22.96%	11.87%
Debt-Equity Ratio ⁽⁴⁾	0.00	0.01	0.09
Total Debt / Net Worth ⁽⁵⁾	0.04	0.02	0.14

Note: The formulae used for computation of the above ratios are as follows:

- (1) Earnings per Share = Profit After Tax/ weighted average number of Equity Shares for the year/period.
- (2) Book value per Share = Net Worth (excluding revaluation reserves) at the end of relevant period/ Number of Equity Shares outstanding at the end of the relevant period
- (3) Return on Net Worth = Profit After Tax / Net Worth at the end of the relevant period.
- (4) Debt-Equity Ratio = Long term Debt(Including current maturities) / Net Worth
- (5) Total Debt/ Net Worth = Total borrowings / Net Worth

Standalone	As at and for the Year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
	(Audited)	(Audited)	(Audited)
Earnings per Share - Basic (₹) ⁽¹⁾	55.12	89.42	52.28
Earnings per Share – Diluted (₹) ⁽¹⁾	55.12	89.42	52.28
Book Value Per Share (₹) ⁽²⁾	580.14	528.37	443.36
Return on Net worth (%) ⁽³⁾	9.50%	16.92%	11.79%
Debt-Equity Ratio ⁽⁴⁾	0.00	0.01	0.08
Total Debt / Net Worth ⁽⁵⁾	0.02	0.01	0.08

Note: The formulae used for computation of the above ratios are as follows:

- (1) Earnings per Share = Profit After Tax/ weighted average number of Equity Shares for the year/period.
- (2) Book value per Share = Net Worth (excluding revaluation reserves) at the end of relevant period/ Number of Equity Shares outstanding at the end of the relevant period
- (3) Return on Net Worth = Profit After Tax / Net Worth at the end of the relevant period.
- (4) Debt-Equity Ratio = Long term Debt(Including current maturities)/ Net Worth
- (5) Total Debt/ Net Worth = Total borrowings / Net Worth

11. DETAILS OF STATUTORY APPROVALS

- 11.1 The Buy-back Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013.
- 11.2 The Buy-back of Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including Reserve Bank of India (RBI), as may be required. 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.
- 11.3 As of date, there is no other statutory or regulatory approval required to implement the Buy-back Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buy-back will be subject to such statutory or regulatory approval(s).
- 11.4 By agreeing to participate in the Buy-back, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting's, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

12. PROCESS TO BE FOLLOWED IN THE BUY BACK OFFER

The company shall make the Buy-back Offer to its shareholders whose name appears in its Register of Members on the Record Date specified date. The Buy-back is proposed to be implemented by the Company on a proportionate basis by Tender Offer mechanism against Letter of Offer sent to all the public shareholders other than promoters. The Letter of Offer will be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date. There will be no buy-back from any persons through negotiated deals or through any private arrangement.

In case of non-receipt of the Letter of Offer and Form of Acceptance such Public Shareholders may download the same from the website of the Company (www.amolminechem.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

The Buy-back offer shall remain open to the shareholders for a period not exceeding 30 days from the dispatch of the Letter of Offer. In case the number of shares offered by the shareholders is more than the total number of shares to be bought back by the company, the acceptance per shareholder shall be on a proportionate basis.

The company shall complete the verifications of the offers received within 15 days from the date of closure of the Buy-back Offer or earlier and the shares lodged shall be deemed to be accepted unless a communication of rejection is made within 21 days from the date of closure of the Buy-back Offer or on such earlier date on receiving written confirmations on the Buy-back Offer from all the Equity Shareholders.

Note. Shareholders holding Equity Shares in physical form are required to get their Equity Shares dematerialized before tendering their Equity Shares in the Buy-back.

13. NOTE ON TAXATION:

As per the current provisions of the Income Tax Act, capital gains arising from the sale of equity shares in an Indian company are taxable in India as under:

13.1 TAX ON DISTRIBUTED INCOME OF DOMESTIC COMPANY FOR BUY-BACK OF SHARES

As per the provisions of Section 115QA of the Income Tax Act, 1961, any amount of distributed income by the company on buy-back of shares from a shareholder by unlisted companies shall be charged to tax and such company shall be liable to pay additional income-tax at the rate of 20% (twenty per cent) (plus applicable surcharge and cess) on the distributed income.

13.2 TAX IN THE HANDS OF SHAREHOLDER

As per the provisions of Section 10(34A) of the Income Tax Act, 1961, any capital gains arising to an assessee, being a shareholder, on account of buy-back of shares by unlisted companies as referred to in section 115QA shall not be included in the total income of the assessee and therefore is exempt from tax.

14. PAYMENT TO THE SHAREHOLDERS

The Company shall within seven days from the completion of verification on letter of offer, make payment of consideration by way of bank draft / pay order / electronic transfer to those shareholders whose offer has been accepted or credit the shares in the demat account of the shareholders forthwith

15. DETAILS OF THE REGISTRAR TO THE BUY-BACK

- 15.1 Eligible Shareholders who wish to tender their Equity Shares in the Buy-back can send the Tender Form by registered post / speed post or hand deliver the same, along with the relevant documents by super-scribing the envelope as "**Amol Buy-back Offer**", to the Registrar to the Buyback at its office set out below, so that the same are received not later than 2 (two) days from the Buy-back Closing Date i.e. Monday, August 26, 2019 (by 5 p.m.):

Link Intime India Private Limited

(Unit: Amol Minechem Ltd. – Exit Offer)

C-101, 247 Park, L.B.S. Marg

Vikhroli (West), Mumbai 400 083

Tel: +91 22 4918 6200 Fax: +91 22 4918 6195

Contact Person: Mr. Sumeet Deshpande

Email: amolminechem.offer@linkintime.co.in

In case of any query, the shareholders may contact the Registrar during working hours i.e. 10 a.m. and 5 p.m. on all days except public holidays.

16. PROCESS AND METHODOLOGY FOR BUY-BACK PROGRAMME

- 16.1 The Buy-back Offer is open to all public shareholders of the Company. The Letter of Offer and Offer Form will be mailed to all the public shareholders of the Company whose names appear on the Register of Members of the Company and who are beneficial owner(s) of the Shares as on July 19, 2019 i.e., the Record Date.
- 16.2 The Company will not accept any shares for Buy-back, in case of court restraints on transfer/ sale of shares or any caveat noted on the shares.
- 16.3 The Company will consider all shares offered in the Buy-back Offer by shareholders, for acceptance, irrespective of whether the shareholder is registered with the Company as on the Record Date or has obtained delivery after the Record Date. In case the offer or is an unregistered shareholder, he should submit an application on plain paper as mentioned under para 14.6

- 16.4 In case the number of shares offered by the shareholders is more than the total number of shares to be bought back by the Company, the acceptances per shareholder will be on proportionate basis.
- 16.5 The documents required to be submitted by a shareholder desirous of offering his shares are as follows:
- The relevant Offer Form duly filled in and signed (by all shareholders in case the shares are in joint names) in the same order in which they hold the Shares;
 - Duly attested Power of Attorney if any person other than the shareholder has signed the relevant Offer Form;
 - Necessary corporate authorizations, such as Board Resolutions, etc., in case of Companies; and;
- 16.6 Application **on Plain Paper**: Non receipt of this Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any person who is eligible to receive this Offer, shall not invalidate the Offer in any way. In case of non-receipt of this Letter Of Offer, shareholders may send their signed application in plain paper, stating No. of Shares offered for Buy-back, DP Id, Client ID, bank account details together relevant documents (as mentioned earlier) to the Company;
- 16.7 Unregistered shareholders who wish to offer their shares in response to the Buy-back Offer should send the application in plain paper signed by all shareholders, stating No. of Shares offered for Buy-back, DP Id, Client ID, bank account details. .
- 16.8 Consideration will be paid by crossed account payee demand draft/ pay order /local cheque or at par cheque or NEFT in favour of the shareholders whose tender has been accepted by the Company. The intimation regarding acceptance or non-acceptance of the shares and the corresponding payment for the accepted shares..
- 16.9 All applications and documents to this Buy-back offer should be submitted to the Registrar / at the Registered Office of the Company at the following address by hand delivery or registered post on any working day (from Monday to Friday) between 10.00 a.m. to 5.00 p.m.

16.10 Procedure for tendering your Shares under the Exit Offer

- The Public Shareholders holding Shares in dematerialized form, should
 - transfer their Offer Shares from their respective depository accounts to the Depository Account opened by the Company (*please refer para 16.10 (III) for details of the Depository Account of the Company*);
 - submit the form of acceptance enclosed with the Exit Offer Letter ("Acceptance Form") duly completed along with the photocopy of the duly acknowledged delivery instruction issued to their depository participant.
- The Public Shareholders, who hold Shares in physical form, should get their Shares converted into Demat before tendering their shares under this offer
- Details of the Depository Account of the Company are as follows

Depository Name	National Securities Depository Limited
Account Name	LIPL AMOL MINECHEM EXIT OFFER ESCROW DEMAT ACCOUNT
Depository Participant("DP") Name	Ventura Securities Ltd
DP ID number	IN303116
Beneficiary Account Number	12932687
ISIN	INE404C01012
Market	Off Market

- Public Shareholders having their beneficiary account in the CDSL have to execute inter depository delivery instructions for the purpose of crediting their Offer Shares in favour of Depository Account with NSDL, the details of which are mentioned above.
- All transfers should be in off-market mode.
- It is the sole responsibility of the Public Shareholders to ensure that their Shares are credited to the Depository Account before the closure of the Exit Offer.

17. CONFIRMATION BY THE BOARD OF DIRECTORS

- 17.1 The Company confirms that there are no defaults made or subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or payment of interest 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.

- 17.2 The Board of Directors confirms that it has made a full enquiry into the affairs and prospects of the company and that they have formed the opinion-
- I) that immediately following the date of the Board Meeting, date on which result of shareholders' resolution passed by way of Postal Ballot / E-voting ("**Postal Ballot Resolution**") was declared, approving the Buy-back, and the date of Letter of Offer, there will be no grounds on which the Company could be found unable to pay its debts.
 - II) as regards its prospects for the year immediately following the date of the Board Meeting approving the Buy-back as well as for the year immediately following the date of the Postal Ballot Resolution, and the date of Letter of Offer, having regard to their 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 their view be available to the company during that year, the company shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the date of the Board Meeting, date of the Postal Ballot Resolution and as also date of Letter of Offer;
 - III) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 2013.

18. **Auditors' Report**

The text of the report dated May 31, 2019 received from M/s. B. R. Shah & Associates, Chartered Accountants, the Statutory Auditors of the Company and the Statement of computation of permissible capital payments for the proposed Buy-back of Equity Shares of the Company, addressed to the Board of Directors of the Company is reproduced below.

Quote

To,
The Board of Directors
Amol Dicalite Limited

Dear Sirs,

Subject: Statutory Auditors Report to the Board of Directors in respect of proposed Buy-back of shares by the Company in terms of clause (n) of sub-rule (1) of rule 17 of Companies (Share Capital and Debentures) Rules, 2014

In connection with the proposed buy-back of equity shares approved by the Board of Directors of the Company in the meeting held on May 31, 2019, we have examined the Audited standalone and consolidated financial statements for the year ended March 31, 2019, the Statement of permissible capital payment by the Board of Directors dated May 31, 2019, in terms of clause (m) of sub-rule (1) of rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 and other relevant records. According to the information and explanations given to us and on the basis of such verification of the relevant records as considered appropriate, we report that:

- i. we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements as at and for the financial year ended March 31, 2019;
- ii. in our view, the amount of permissible capital payment (including securities premium) as stated in **Annexure A** for the proposed buyback of equity shares is properly determined considering the audited standalone and consolidated financial statements as at March 31, 2019, in accordance with Section 68 (2)(b) and 68(2)(c) of the Companies Act;
- iii. the audited standalone and consolidated financial statements as at March 31, 2019, on the basis of which calculation with reference to Buy-back of shares is done, is not more than six months old from the date of the offer document; and
- iv. the Board of Directors have formed the opinion as specified in clause (m) of sub-rule (1) of rule 17 of Companies (Share Capital and Debentures) Rules, 2014, on reasonable grounds and that the Company having regards to its state of affair, shall not be rendered insolvent within a period of one year from the date of Board Meeting held on May 31, 2019.

This report has been issued at the request of the Company solely in connection with the proposed buy-back of equity shares of the Company as required by clause (n) of sub-rule (1) of rule 17 of Companies (Share Capital and Debentures) Rules, 2014 and is not suitable for any other purpose.

Bhavik Shah

Partner

Membership Number: 129674

Place of Signature: Ahmedabad

Date: May 31, 2019

UDIN No.:- 19129674AAAACH6570

Annexure A

Statement of permissible capital payment (including Securities Premium) as at March 31, 2019

The amount of permissible capital (including securities premium) towards the proposed buyback of equity shares as computed in the table below is determined in accordance with Section 68(2)(b) and 68(2)(c) of the Companies Act, 2013 ("the Act"). The amount of share capital and free reserves has been extracted from the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2019.

Particulars	March 31, 2019 (Rs. in Lakhs)	
	Standalone	Consolidated
Paid-up Equity Share Capital as at March 31, 2019		
7,20,000 equity shares of Rs. 10 each fully paid-up (A)	72.00	72.00
Free Reserves as at March 31, 2019		
General reserve	1,693.74	1,693.74
Surplus in Statement of Profit and Loss	2,407.25	1,929.12
Total (B)	4,100.99	3,622.86
Total (A+B)	4,172.99	3,694.86
Maximum amount permissible for buyback under Section 68 of the Companies Act, 2013 (25% of the total paid up capital and free reserves)	1,043.24	923.71
Amount proposed by Board Resolution dated May 31, 2019 approving the Buyback, subject to shareholders approval by special resolution, based on the consolidated audited financials for the year ended March 31, 2019		855.00
Permissible number of Equity Shares eligible for Buy-back in accordance with Section 68(2)(b) and 68(2)(c) of the Companies Act, 2013 (25% of total number of equity shares) (Nos.)		1,80,000

Note:

- Calculation in respect to the Buy-back is done on basis of audited financial statements of the Company for the year ended March 31, 2019.
- Free Reserves are as per Clause 43 of Section 2 and Explanation II to Section 68 of the Companies Act, 2013

**For and on behalf of Board of Directors of
Amol Dicalite Limited**

Shreyas Sheth
Chairman & Managing Director
DIN: 00009350
Place: Ahmedabad
Date: May 31, 2019

Unquote

19. **Documents for Inspection:**

Copies of the following documents will be available for inspection at the registered office of the company between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the offer period.

- 19.1 Certificate of Incorporation of the Company and fresh certificate of incorporation issued by Registrar of Companies, Gujarat on change in name of the Company
- 19.2 Memorandum and Articles of Association of the company.
- 19.3 Annual Reports of the Company for the financial years 2017, 2018 and 2019.
- 19.4 Copy of the Resolution passed by the Board of Directors in relation to Buy-back at its meeting held on May 31, 2019.
- 19.5 Copy of special resolution of the Equity Shareholders passed by way of postal ballot, the results of which were announced on July 8, 2019;
- 19.6 Auditor's certificate prepared by B. R. Shah & Associates in terms of sub clause (n) of Rule 17(1) of The Companies (Share Capital and Debentures) Rules, 2014
- 19.7 Public Announcement for exit Offer dated June 15, 2019.
- 19.8 Declaration of Solvency and an affidavit as per Form SH-9
- 19.9 Valuation Report dated May 30, 2019 issued by Vivro Financial Services private Limited, an Independent Valuer

20. **DECLARATION:**

Mr. Shreyas C. Sheth, one of the Promoters of the Company, has undertaken to acquire shares from the public shareholders at the Exit Price which are tendered post the completion of the Buyback offer for a period of one year ("**Balance Shares after the Buyback**") from the completion of Buy-back in compliance with the requirements specified under the SEBI Circular dated October 10, 2016.

21. **GENERAL DISCLAIMER:**

Every person who desires to avail of the 'Exit Offer' may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Promoter, the Merchant Banker/ Independent Valuer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of Equity Shares through this offer whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**For and on behalf of the board of directors of
Amol Minechem LIMITED
(Formerly known as Amol Dicalite Limited)**

Shreyas C. Sheth
Managing Director
(DIN: 00009350)

Naishadh Parikh
Director
(DIN:00009314)

Place : Ahmedabad
Date : July 22, 2019