

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of Aarti Industries Limited (“**Company**”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (“**Buyback Regulations**”). If you require any clarification about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buyback i.e. Inga Capital Limited (formerly known as Inga Capital Private Limited) or the Registrar to the Buyback i.e. Link Intime India Private Limited. Please refer to the section on “**Definitions of Key Terms**” for the definition of the capitalized terms used herein.



AARTI INDUSTRIES LIMITED

Registered Office: Plot Nos. 801, 801/23, GIDC Estate, Phase III, Vapi -396 195, Dist. Valsad, Gujarat.
Corporate Office: 71, Udyog Kshetra, 2nd Floor, Mulund – Goregaon Link Road, L.B.S. Marg, Mulund (West),
Mumbai - 400 080; **Corporate Identity Number (CIN):** L24110GJ1984PLC007301
Tel. No.: +91 22 6797 6666; **Fax:** +91 22 2565 3185/3234; **Email:** investorrelations@aarti-industries.com;
Website: www.aarti-industries.com; **Contact Person:** Mr. Raj Sarraf, Company Secretary & Compliance Officer

Cash offer for buyback of fully Paid-up Equity Shares of the Company up to 8,20,383 (Eight Lakh Twenty Thousand Three Hundred And Eighty Three) Equity Shares (representing up to 1% of the total number of Equity Shares, from all the equity shareholders/beneficial owners of the Company who holds Equity Shares as on the record date i.e. Friday, January 5, 2018 (“**Record Date**”), on a proportionate basis, through the tender offer using stock exchange mechanism (“**Tender Offer**”), at a price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) (including premium of Rs. 1,195/-) per Equity Share (“**Buyback Price**”) for an aggregate maximum amount of upto Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only) (“**Buyback Size**”) excluding the transaction cost such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc., (“**Transaction Cost**”) (“**Buyback**”).

1. The Buyback is in accordance with Section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 as amended and the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable and in compliance with the Buyback Regulations, Article 61 of the Articles of Association of the Company and is subject to other approvals, permissions and sanctions as may be required from time to time from any statutory and / or regulatory authority and which may be agreed to by the Board of Directors or any person authorised by the Board of Directors.
2. The Buyback Size of Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only), which represents 8.36% of the fully paid-up equity share capital and free reserves (including securities premium account) as per audited balance sheet of the Company for the financial year ended March 31, 2017 on standalone basis, is within the statutory limits of 10% (Ten Percent) of the total paid-up share capital and free reserves (including securities premium account) under the board of directors approval route as per the provisions of the Companies Act, 2013.
3. The Letter of Offer shall be sent to the Eligible Sellers.
4. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (“**Tender Form**”) will be enclosed together with the Letter of Offer.
5. For mode of payment of consideration to the Eligible Sellers, please refer to paragraph 20.23 of this Draft Letter of Offer.
6. A copy of the Public Announcement, Draft Letter of Offer and the Letter of Offer (including the Tender Form) shall also be available on the website of Securities and Exchange Board of India - www.sebi.gov.in
7. Eligible Sellers are advised to refer to Details of the Statutory Approvals and Note on Taxation in paragraph 17 and paragraph 21 respectively, of this Draft Letter of Offer, before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK



Inga Capital Limited
(Formerly known as Inga Capital Private Limited)
Naman Midtown, 21st Floor, ‘A’ Wing, Senapati Bapat Marg,
Elphinstone (West), Mumbai 400 013, Maharashtra.
Tel. No.: +91 22 4031 3483, **Fax No.:** +91 22 4031 3379;
Contact Person: Ms. Kavita Shah;
Email: aarti.buyback@ingacapital.com;
Website: www.ingacapital.com;
SEBI Registration No: INM000010924*;
CIN: U74140MH1999PTC122493.

**In process of applying to SEBI for change of name*

REGISTRAR TO THE BUYBACK



Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400
083, Maharashtra, India.
Tel. No.: +91-22- 4918 6200; **Fax:** +91-22-4918 6195
Contact person: Mr. Sumeet Deshpande;
Email: aartiind.buyback2017@linkintime.co.in;
Website: www.linkintime.co.in;
SEBI Registration No: INR000004058;
CIN: U67190MH1999PTC118368

BUYBACK OPENS ON: [●]

BUYBACK CLOSES ON: [●]

LAST DATE / TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO BUYBACK: [●], [●]

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1. SCHEDULE OF ACTIVITIES

Activity	Day and Date
Date of the board meeting approving the proposal for Buyback of Equity Shares	Thursday, December 21, 2017
Date of publication of Public Announcement for the Buyback	Monday, December 25, 2017
Record Date for determining the Buyback Entitlement and the names of Eligible Sellers	Friday, January 5, 2018
Buyback opens on / Buyback Opening Date	[●]
Buyback closes on / Buyback Closing Date	[●]
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar to Buyback	[●]
Last date of verification by Registrar to Buyback	[●]
Last date of intimation to the stock exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar and Manager to the Buyback	[●]
Last date of settlement of bids on the stock exchange	[●]
Last date of dispatch of share certificate(s) by Registrar to Buyback / return of unaccepted demat shares by Stock Exchange to Seller Member / Eligible Sellers	[●]
Last date of extinguishment of Equity Shares bought back	[●]

2. DEFINITION OF KEY TERMS

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

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, 2013 and Companies Act, 1956, to the extent applicable, as amended and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares tendered by Eligible Sellers in the Buyback
ACDL	Anushakti Chemicals and Drugs Limited
Act	The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013, (to the extent notified).
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, including amendment thereto.
Additional Equity Shares	Equity Shares tendered by an Eligible Seller over and above the Buyback Entitlement of such Eligible Seller such that total number of Equity Shares tendered do not exceed the Equity Shares held on the Record Date by such Eligible Seller
AHL	Anushakti Holdings Limited
AIL	Aarti Industries Limited
ALFPL	Alchemie Leasing and Financing Private Limited
AOL	Alchemie Organics Limited
Articles	Articles of Association of the Company, as amended from time to time
Board / Board of Directors	Board of Directors of the Company
BSE	BSE Limited
Buyback	Offer by Aarti Industries Limited to buyback up to 8,20,383 (Eight Lakh Twenty Thousand Three Hundred And Eighty Three) Equity Shares of face value of Rs. 5/- (Rupee Five only) each at a price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share from Eligible Sellers, through the Tender Offer on a proportionate basis
Buyback Entitlement	The number of Equity Shares that an Eligible Seller is entitled to tender in the Buyback, based on the number of Equity Shares held by that Eligible Seller on the Record Date in the Ratio of Buyback as applicable in the category, to which such Eligible Seller belongs
Buyback closes on / Buyback Closing Date	[●]
Buyback opens on / Buyback Opening Date	[●]
Buyback Price	Price at which Equity Shares will be bought back from the Eligible Sellers i.e. Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share, payable in cash
Buyback Regulations	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998
Buyback Size	Number of Equity Shares proposed to be bought back (i.e. up to 8,20,383 Equity Shares) multiplied by the Buyback Price (i.e. Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share) aggregating to maximum amount of up to

Term	Description
	Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only)
Company	Aarti Industries Limited
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, as amended and to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Company's Broker	Ghalla Bhansali Stock Brokers Private Limited
Compliance Officer	Mr. Raj Sarraf, Company Secretary & Compliance Officer
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	BSE Limited
DP	Depository Participant
Draft Letter of Offer / DLOF	This Draft Letter of Offer dated [●] filed with SEBI
Eligible Seller(s)	All Equity Shareholders holding Equity Shares as on the Record Date being Friday, January 5, 2018 and who are eligible to participate in the Buyback in terms of this DLOF
Equity Shares	Fully paid-up equity shares of face value of Rs. 5/- (Rupee Five only) each of the Company
Equity Shareholder(s)	Holders of the Equity Shares and includes beneficial owners thereof
Escrow Account	The Escrow Account titled "[●]" to be opened with Escrow Agent
Escrow Agent	[●]
Escrow Agreement	The escrow agreement dated [●] entered into between the Company, Escrow Agent and Manager to the Buyback
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
General Category	Category of Eligible Seller(s) other than the Small Shareholders
GSIPL	Gogri & Sons Investments Private Limited
HUF	Hindu Undivided Family
IT Act / Income Tax Act	Income Tax Act, 1961, as amended from time to time
Letter of Offer / LoF	The letter of offer dated [●] 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 DLOF
Manager to the Buyback / Manager	Inga Capital Limited (formerly known as Inga Capital Private Limited)
MOA	Memorandum of Association
MOL	Mahaval Organics Limited
Non-Resident Shareholders	Equity Shareholders other than resident Equity Shareholders including Non-Resident Indians (NRI), Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI), erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals
Non-Resident Indians / NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the meaning as prescribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016, as amended from time to time
NSE	National Stock Exchange of India Limited
Offer Period / Tendering Period / Buyback Offer Period	Period of Ten (10) Working Days from the Buyback Opening Date i.e. [●] till Buyback Closing Date i.e. [●] (both days inclusive)

Term	Description
Promoters	Chandrakant Vallabhaji Gogri, Rajendra Vallabhaji Gogri, Shantilal Tejshi Shah and Parimal Hasmukhlal Desai
Promoter Group	Rashesh Chandrakant Gogri, Hetal Gogri Gala, Mirik Rajendra Gogri, Renil Rajendra Gogri, Arti Rajendra Gogri, Jaya Chandrakant Gogri, Sarla Shantilal Shah, Nehal Garewal, Bhavna Shah Lalka, Heena Bhatia, Aashay Rashesh Gogri, Manisha Rashesh Gogri, Nikhil Parimal Desai, Ratanben Premji Gogri, Dhanvanti Vallabhji Gogri, Rajendra Vallabhaji Gogri (HUF), Rinku Parimal Desai, Indira Madan Dedhia, Shantilal Tejshi Shah (HUF), Bhanu Pradip Savla, Tarla Parimal Desai, Gunavanti Navin Shah, Prasadi Yogesh Banatwala, Dilip Tejshi Dedhia, Pooja Renil Gogri, Anushakti Enterprise Private Limited, Alchemie Financial Services Limited, Nikhil Holdings Private Limited, Gogri Finserv Private Limited, Alchemie Finserv Private Limited, Valiant Organics Limited (formerly known as Valiant Organics Private Limited), Dilesh Roadlines Private Limited, Safechem Enterprises Private Limited, Shantilal Tejshi Shah (HUF)
Promoter and Persons in Control	Promoters and Promoter Group are collectively referred to as Promoter and Persons in Control
Public Announcement / PA	Public announcement dated December 22, 2017 (Friday) in relation to the Buyback made by the Company which was published on December 25, 2017 (Monday) in Financial Express (English national daily), Jansatta (Hindi national daily) and Daman Ganga (Regional language daily -Gujarati)
PAN	Permanent Account Number
Ratio of Buyback	The ratio of the buyback for the Equity Shares held by Eligible Sellers as on Record Date: (i) in case of Small Shareholders, [●] Equity Shares for every [●] Equity Shares; and (ii) in case of Eligible Sellers other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Sellers to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback in accordance with the Buyback Regulations and in terms of this Draft Letter of Offer. The Record Date for the Buyback is Friday, January 5, 2018.
Registrar to the Buyback / Registrar	Link Intime India Private Limited
Reserved Category	Category of the Small Shareholders eligible to tender Equity Shares in the Buyback
SEBI	The Securities and Exchange Board of India
Seller Member(s)	A stock broker (who is a member of the BSE) of an Eligible Seller, through whom the Eligible Seller may participate in the Buyback
Small Shareholder	An Eligible Seller who holds Equity Shares of market value not more than Rs. 2,00,000/- (Rupees Two Lakh only) on the basis of closing price on the Stock Exchange registering the highest trading volume on the Record Date.
SLL	Salvigor Laboratories Limited
SSL	Surfactant Specialties Limited
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in and sent to the Registrar by the Eligible Sellers to participate in the Buyback
Tender Offer	Method of Buyback as defined in Regulation 2(1)(o) read with Regulation 9(3A) of the Buyback Regulations using stock exchange mechanism
TRS	Transaction Registration Slip
U.S.	United States / United States of America
Working Day(s)	Any working day of SEBI

3. DISCLAIMER CLAUSE

- 3.1. As required, a copy of this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buyback, i.e. Inga Capital Limited (formerly known as Inga Capital Private Limited), has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Act and Buyback Regulations. This requirement is to facilitate Eligible Sellers to take an informed decision for tendering their Equity Shares in the Buyback.
- 3.2. It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the 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, has furnished to SEBI a Due Diligence Certificate dated December 29, 2017 in accordance with Buyback Regulations, which reads as follows:
- “We have examined various documents and materials relevant to the Buyback as part of the due diligence carried out by us in connection with the finalization of the public announcement dated December 22, 2017 (the “**Public Announcement**”) and the draft letter of offer dated December 29, 2017 (“**DLOF**”). On the basis of such examination and the discussions with the Company, we hereby state that:
- The Public Announcement and the DLOF are in conformity with the documents, materials and papers relevant to the Buyback;
 - All the legal requirements connected with the said Buyback including the SEBI (Buy Back of Securities) Regulations, 1998, as amended, have been duly complied with;
 - The disclosures in the Public Announcement and the DLOF are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buyback;
 - Funds used for Buyback shall be as per the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable).”
- 3.3. The filing of Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Act, or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Buyback.
- 3.4. The Promoter and Persons in Control and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Sellers has been suppressed, withheld and / or incorporated in the manner that would amount to mis-statement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed, withheld and / or amounts to a mis-statement or misrepresentation, the Promoters and Directors and the Company shall be liable for penalty in terms of the provisions of the Act and the Buyback Regulations.
- 3.5. The Promoter and Persons in Control and Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.
- 3.6. **NO OFFER TO SUBSCRIBE / PURCHASE / SELL, OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL, ANY SECURITIES OF THE COMPANY OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL ANY SECURITIES OF THE COMPANY INCLUDING THE EQUITY SHARES IS MADE IN A JURISDICTION, OTHER THAN INDIA, WHERE IT IS ILLEGAL, OR ANY ACTION OR APPROVAL IS REQUIRED, TO MAKE THIS BUYBACK**

- a) The Public Announcement that was published on December 25, 2017 (Monday) and this Draft Letter of Offer in connection with this Buyback, has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time. 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 Buyback are under no obligation to update the information contained herein at any time after the date of the Letter of Offer. This Draft Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe / purchase / sell, any securities of the Company in any jurisdiction or as a solicitation or an invitation in any form to subscribe / purchase / sell any securities including the Equity Shares of the Company.
- b) No action has been or will be taken by the Company or Manager to the Buyback to permit the Buyback in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all Equity Shareholders whose names appear in the register of members of the Company, as on the Record Date. However, receipt of the Letter of Offer by any Eligible Seller in a jurisdiction in which it would be illegal to make this Buyback, or where making this Buyback would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws of any jurisdiction outside of India), shall not be treated by such Eligible Seller as an offer or invitation to offer being made to them and shall be construed by them as being sent for information purposes only.
- c) Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Seller who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.
- d) **The Buyback is being made for securities of an Indian company and is subject to the laws of India. It is important for U.S. securities holders to be aware that this Draft Letter of Offer is subject to tender offer laws and regulations in India that are different from those in the U.S. and has been prepared in accordance with Indian law, format and style, which differs from customary U.S. format and style. This Draft Letter of Offer, does not in any way, constitute an offer to sell, or an invitation to sell, or buy any securities in the United States of America, or in any other jurisdiction in which offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe such restrictions.**

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

- 4.1. The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on December 21, 2017. The extract of the resolution of the Board is as follows:

“RESOLVED THAT pursuant to the provisions of Article 61 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, as amended (**“Companies Act”**), applicable rules made thereunder, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (**“Buyback Regulations”**) and other applicable laws, if any, including any amendments, statutory modifications or re-enactments for the time being in force, and subject to all such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed while granting such approvals, permissions and sanctions by the appropriate authorities, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression shall be deemed to include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the approval of the Board be and is hereby accorded to the buyback by the Company of up to 8,20,383 fully paid-up equity shares of face value of Rs. 5/- (Rupees five Only) each of the Company (**“Equity Shares”**) representing up to 1% of the total number of equity shares of the Company at a price of Rs. 1200/- (Rupees One Thousand Two Hundred Only) per Equity Share (**“Buyback Price”**) (including premium of Rs. 1195/- per Equity Share) payable in cash for an aggregate amount of up to Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only) (excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc.) (**“Buyback Size”**), which is 8.36% of the fully paid-up equity share capital and free reserves (including securities premium) as per the standalone audited balance sheet of the Company for the financial year ended March 31, 2017 on a proportionate basis through the tender offer (**“Tender Offer”**) as prescribed under the Buyback Regulations, to all of the equity shareholders / beneficial owners who hold Equity Shares as of a Record Date (as defined below) (**“Buyback”**). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (**“SEBI”**), fees and charges payable to BSE Limited and National Stock Exchange of India Limited (**“Stock Exchanges”**), public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.”

“RESOLVED FURTHER THAT approval of the Board be and is hereby accorded on to consider January 5, 2018 as the record date for the purposes of determining eligibility of shareholder (**“Record Date”**)” to participate in the Buyback including promoters and promoter group including person in control of the Company to the extent intended as per the Letter of Intention received from the promoter and promoter group including person in control of the Company.”

“RESOLVED FURTHER THAT the reservation of Equity Shares be made in the Buyback for small shareholders / beneficial owners of the Company as on Record Date in accordance with the provisions of the Buyback Regulations.”

“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 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, BSE notice no. 20170202-34 dated February 2, 2017 and BSE notice no. 20170210-16 dated February 10, 2017 and such other circulars or notifications as may be issued from time to time.”

“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 (“Listing Regulations”).”

“RESOLVED FURTHER THAT the amount required by the Company for the Buyback is intended to be met out of Company’s internal accruals / reserves and surplus and firm financial resources (and not from any borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

“RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buyback Regulations, Shri Raj Sarraf, Company Secretary and Compliance Officer, be and is hereby appointed as the Compliance Officer for the Buyback.”

“RESOLVED FURTHER THAT draft of the Declaration of Solvency along with annexures including statement of assets and liabilities as at March 31, 2017 prepared in the prescribed form and supporting affidavit and other documents in terms of Section 68(6) of the Act and Regulation 8(7) of the Buyback Regulations, as, placed before the meeting be and are hereby considered and approved and Shri Rashesh C. Gogri, Vice-Chairman & Managing Director and Shri Parimal H. Desai, Smt. Hetal Gogri Gala, Whole time Directors of the Company, be and are hereby severally authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies / Ministry of Corporate Affairs, Stock Exchanges and the SEBI in accordance with applicable law.”

“RESOLVED FURTHER THAT the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

a) immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;

b) as regards its prospects for the year immediately following that date of this Board Meeting having regard to the Board’s intentions with respect of the management of the Company’s business during that year and to the amount and character of the financial resources which will in its view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and

c) in forming its opinion for the above purposes, the Board has taken into account the liabilities of the Company as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent not repealed) and the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 (to the extent notified) (including prospective and contingent liabilities).

“RESOLVED FURTHER THAT the Board hereby confirms that:

a) the Buyback Size i.e. Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only) do not exceed 10% of the paid-up equity share capital and free reserves as per the standalone audited financial statements for the year ended March 31, 2017;

b) all Equity Shares are fully paid-up;

c) the Company shall not raise further capital for a period of one year from the closure of the Buyback, except in discharge of subsisting obligations;

- d) the Company shall not issue fresh shares or other specified securities 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;
- e) 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;
- f) the Company shall not buyback its Equity Shares from any person through negotiated deals whether on or off the Stock Exchange or through spot transactions or through any private arrangement in the implementation of the Buyback;
- g) there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loans or interest payable to any financial institution or banks;
- h) that the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;
- i) the Company shall not make any offer of buyback within a period of one year reckoned from the date of closure of the Buyback;
- j) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 1956 and Companies Act, 2013 to the extent applicable as on date; and
- k) After the Buyback, the ratio of the aggregate of secured and unsecured debts owed by the Company as on March 31, 2017, shall not be more than twice the paid-up equity share capital and free reserves as on March 31, 2017, and as adjusted for Buyback.”

“RESOLVED FURTHER THAT a committee comprising of Vice-Chairman & Managing Director Shri Rashesh C. Gogri, Whole time Director Shri Parimal H. Desai, Chief Financial Officer Shri Chetan B. Gandhi and Company Secretary, Shri Raj Sarraf (“Buyback Committee”) be constituted, for the purposes of the Buyback and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its equity shareholders, including but not limited to:

- a) finalizing the terms of Buyback like the mechanism for the Buyback, 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;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- d) preparation, signing and filing of public announcement, the draft letter of offer / letter of offer with the SEBI, Registrar of Companies, the Stock Exchange and other appropriate authority;
- e) To make any corrections, amendments, deletions, additions to the public announcement, draft letter of offer /letter of offer and any other advertisement and to give any information, explanation, declarations and confirmations in relation to the public announcement, draft letter of offer /letter of offer and any other advertisement, as may be required by the relevant authorities including SEBI and to file/publish/submit the revised public announcement, draft letter of offer /letter of offer and any other public notice as required by such relevant authorities;

- f) making all applications to the appropriate authority for their requisite approvals including approvals as may be required from the Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations framed there under, if any;
- g) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and / or Board, as required under applicable law;
- h) appoint any Merchant Bankers, Brokers, Registrars, Advertising Agency as may be required and enter into agreements / letters in respect thereof;
- i) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the Company and equity shareholders for the implementation of 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, Registrar of Companies, Stock Exchange, Depositories and/or other appropriate authorities;
- j) obtaining all necessary certificates and reports from Statutory Auditors and other third parties as required under applicable law;
- k) dealing with Stock Exchange (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 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and such other circulars or notifications as may be issued from time to time.;
- l) to delegate all or any of the authorities conferred as above to any officer(s) / authorised representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be suggested by the appropriate authorities or advisors.
- m) to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper;
- n) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback with any authorities involved.

“**RESOLVED FURTHER THAT** approval of the Board be and is hereby accorded on appointment of ‘Inga Capital Limited (category-I merchant banker)’ as Manager to the Buyback.”

“**RESOLVED FURTHER THAT** any of the above Directors or the Company Secretary of the Company, be and are hereby severally authorised to sign and file certified copy of the resolution with the Registrar of Companies, SEBI, Stock Exchange and any other regulatory authorities as may be required under the Companies Act and Buyback Regulations.”

“**RESOLVED FURTHER THAT** a copy of the foregoing resolution duly certified by any one of the Directors or the Company Secretary of the Company be furnished to the relevant / appropriate authorities on demand.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 8(1) of the Buyback Regulations, the Company has made the Public Announcement dated December 22, 2017 (Friday) for the Buyback of Equity Shares which was published within two Working Days i.e. on December 25, 2017 (Monday) from the date of passing of the resolution at the meeting of the Board of Directors held on December 21, 2017 (Thursday) in the following newspapers:

Name of the Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Daman Ganga	Gujarati	Regional Edition

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

6. DETAILS OF THE BUYBACK

- 6.1. The Board of Directors of Aarti Industries Limited (the Board of Directors of the Company hereinafter referred to as the “**Board**”, which expression shall deemed to include committee constituted by the Board for the purpose to exercise its powers, including the powers conferred in the committee), at their meeting held on December 21, 2017 (“**Board Meeting**”), pursuant to the provisions of Article 61 of Articles of Association of the Company and Section 68, 69 and 70 and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable and applicable rules made under the Companies Act, 2013 and in compliance with the Buyback Regulations and any other applicable laws, if any, including any amendments, statutory modifications or re-enactments for time being in force and in compliance with the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or committee authorized by the Board, approved the Buyback up to 8,20,383 fully paid-up equity shares of face value of Rs. 5/- (Rupees five Only) each of the Company (“**Equity Shares**”) representing up to 1% of the total number of equity shares of the Company at a price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share (including premium of Rs. 1195/-) per Equity Share payable in cash for an aggregate amount of up to Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only) (“**Buyback Size**”) (excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc.- (“**Transaction Cost**”), which represents 8.36% of the fully paid-up equity share capital and free reserves (including securities premium) as per the standalone audited balance sheet of the Company for the financial year ended March 31, 2017 on a proportionate basis through the tender offer (“**Tender Offer**”) as prescribed under the Buyback Regulations, to all of the equity shareholders / beneficial owners who hold Equity Shares as of a Record Date (as defined below) (“**Eligible Sellers**”) (“**Buyback**”). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (“**SEBI**”), fees and charges payable to BSE Limited and National Stock Exchange of India Limited (“**Stock Exchanges**”), public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.
- 6.2. The aggregate fully paid-up equity share capital and free reserves (including securities premium account) as per the standalone audited balance sheet of the Company for the financial year ended March 31, 2017 is Rs.1,17,821 lakhs. The funds deployed for Buyback shall not exceed 10% of fully paid-up equity share capital and free reserves (including securities premium account) of the Company under the Board approval route, as provided under the proviso to Section 68(2)(b) of the Act. Accordingly, the maximum amount that can be utilised in the present Buyback is Rs.11,782 lakhs. The Company has proposed to utilise an aggregate amount of up to Rs. 9,844.60 lakhs for the Buyback which is within the maximum amount as aforesaid and which represents 8.36% of fully paid-up equity share capital and free reserves (including securities premium account) of the Company.
- 6.3. The shareholding of the Promoter and Persons in Control as on the date of the Public Announcement i.e. December 22, 2017 is given below:

Sr. No.	Name of Shareholder(s)	Number of Equity Shares	Percentage (%)
A.	Promoter		
1.	Chandrakant Vallabhaji Gogri	77,47,899	9.43

2.	Rajendra Vallabhaji Gogri	30,73,249	3.74
3.	Shantilal Tejshi Shah	17,15,294	2.09
4.	Parimal Hasmukhlal Desai	3,16,726	0.39
	Sub-Total (A)	1,28,53,168	15.65
B.	Promoter Group		
1.	Rashesh Chandrakant Gogri	47,97,248	5.84
2.	Hetal Gogri Gala	29,75,894	3.62
3.	Mirik Rajendra Gogri	36,65,244	4.46
4.	Renil Rajendra Gogri	35,12,073	4.28
5.	Arti Rajendra Gogri	22,52,063	2.74
6.	Jaya Chandrakant Gogri	5,05,133	0.62
7.	Sarla Shantilal Shah	19,25,886	2.35
8.	Nehal Garewal	10,31,136	1.26
9.	Bhavna Shah Lalka	9,42,273	1.15
10.	Heena Bhatia	8,55,860	1.04
11.	Aashay Rashesh Gogri	2,26,694	0.28
12.	Manisha Rashesh Gogri	2,21,530	0.27
13.	Nikhil Parimal Desai	7,94,263	0.97
14.	Ratanben Premji Gogri	3,80,000	0.46
15.	Dhanvanti Vallabhji Gogri	1,00,000	0.12
16.	Rajendra Vallabhaji Gogri (HUF)	3,15,673	0.38
17.	Rinku Parimal Desai	1,800	0.00
18.	Indira Madan Dedhia	1,82,718	0.22
19.	Shantilal Tejshi Shah (HUF)	2,02,941	0.25
20.	Bhanu Pradip Savla	1,30,737	0.16
21.	Tarla Parimal Desai	1,13,933	0.14
22.	Gunavanti Navin Shah	86,492	0.11
23.	Prasadi Yogesh Banatwala	11,225	0.01
24.	Dilip Tejshi Dedhia	4,488	0.01
25.	Pooja Renil Gogri	391	0.00
26.	Anushakti Enterprise Private Limited	24,92,500	3.04
27.	Alchemie Financial Services Limited	6,73,006	0.82
28.	Nikhil Holdings Private Limited	3,79,200	0.46
29.	Gogri Finserv Private Limited	2,64,105	0.32
30.	Alchemie Finserv Private Limited	2,64,105	0.32
31.	Valiant Organics Limited [#]	2,35,000	0.29
32.	Dilesh Roadlines Private Limited	8,318	0.01
33.	Safechem Enterprises Private Limited	14,70,000	1.79
34.	Shantilal Tejshi Shah (HUF)	1,66,200	0.20
	Sub-Total (B)	3,11,88,129	37.98
	Grand- Total (A+B)	4,40,41,297	53.63

[#] Formerly known as Valiant Organics Private Limited

- 6.4. As on the date of Public Announcement i.e. December 22, 2017, none of the directors of the companies forming part of promoter group hold any Equity Shares in the Company except the following:

Sr. No.	Name of Shareholder	Number of Equity Shares	% of Equity Shares
Valiant Organics Limited (Formerly known as Valiant Organics Private Limited)			

1.	Chandrakant Vallabhaji Gogri	77,47,899	9.43
2.	Hemchand Lalji Gala	2,02,629	0.25
3.	Arvind Kanji Chheda	1,13,800	0.14
4.	Mahek Manoj Chheda	90,025	0.11
5.	Velji Gogri	20,548	0.03
Alchemie Financial Services Limited			
1.	Hetal Gogri Gala	29,75,894	3.62
2.	Rashesh Chandrakant Gogri	47,97,248	5.84
3.	Bhavesh Bachubhai Mehta	2,22,396	0.27
Nikhil Holdings Private Limited			
1.	Parimal Hasmukhlal Desai	3,16,726	0.39
2.	Nikhil Parimal Desai	7,94,263	0.97
3.	Tarla Parimal Desai	1,13,933	0.14
Alchemie Finserv Private Limited			
1.	Rajendra Vallabhaji Gogri	30,73,249	3.74
2.	Arti Rajendra Gogri	22,52,063	2.74
3.	Renil Rajendra Gogri	35,12,073	4.28
*Additionally, Rajendra Vallabhaji Gogri holds 3,15,673 Equity Shares of Aarti Industries Limited in capacity of Karta of Rajendra Vallabhaji Gogri (HUF).			
Gogri Finserv Private Limited			
1.	Hetal Gogri Gala	29,75,894	3.62
2.	Rashesh Chandrakant Gogri	47,97,248	5.84
3.	Jaya Chandrakant Gogri	5,05,133	0.62
Anushakti Enterprise Private Limited			
1.	Chandrakant Vallabhaji Gogri	77,47,899	9.43
2.	Hetal Gogri Gala	29,75,894	3.62
3.	Rashesh Chandrakant Gogri	47,97,248	5.84
4.	Jaya Chandrakant Gogri	5,05,133	0.62
Safechem Enterprises Private Limited			
1.	Rajendra Vallabhaji Gogri	30,73,249	3.74
2.	Arti Rajendra Gogri	22,52,063	2.74
3.	Renil Rajendra Gogri	35,12,073	4.28
4.	Mirik Rajendra Gogri	36,65,244	4.46
*Additionally, Rajendra Vallabhaji Gogri holds 3,15,673 Equity Shares of Aarti Industries Limited in capacity of Karta of Rajendra Vallabhaji Gogri (HUF).			

- 6.5. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Persons in Control have the option to participate in the Buyback. In this regard, Promoter and Persons in Control have expressed their intention vide their letters dated December 21, 2017 to participate in the Buyback and offer up to an aggregate maximum number of 3,06,64,976 Equity Shares. The extent of their participation in the Buyback has been detailed in paragraph 9.2, 9.3 and 9.4 of this DLOF.
- 6.6. The pre-Buyback shareholding of Promoter and Persons in Control of the Company is 53.63% of the total paid-up equity share capital of the Company and assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion of their respective Buyback Entitlement, post-Buyback shareholding of Promoter and Persons in Control of the Company will be [●]% of the total paid-up equity share capital of the Company. For details with respect to aggregate shareholding of Promoter and Persons in Control post-Buyback please refer paragraph 13.6 of this DLOF.
- 6.7. We confirm that on completion of the Buyback, the shareholding of the Equity Shareholders other than Promoter and Persons in Control shall not fall below the minimum level required as per the Regulation 38 of

the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time.

7. AUTHORITY FOR THE BUYBACK

- 7.1. The Buyback is being undertaken by the Company in accordance with the provisions of Article 61 of Articles of Association of the Company and Section 68, 69 and 70 and all other applicable provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable and in compliance with the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or any person authorised by the Board in this regard.
- 7.2. The Buyback has been duly authorized by a resolution passed by the Board of Directors at their meeting held on December 21, 2017. Since the Buyback Size is less than 10% (ten percent) of the paid-up capital and free reserves (including securities premium account) of the Company under the board of directors approval route, as provided under the proviso to Section 68(2)(b) of the Act the approval of the Equity Shareholders of the Company is not required.

8. NECESSITY OF THE BUYBACK

The Buyback is being proposed by the Company to service the equity more efficiently. Additionally, the Company's management strives to increase equity shareholders value and the Buyback may result in amongst other things:

- a) The Buyback may help in improving earnings per share, return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- b) The Buyback gives an option to the equity shareholders, who can either (i) choose to participate and get cash in lieu of Equity Shares to the extent accepted under the Buyback; or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without additional investment;
- c) The Buyback, which is being implemented through the Tender Offer as prescribed under the Buyback Regulations, would involve allocation of higher number of shares as per their entitlement or 15% of the number of 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 Shareholder.

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

- 9.1. We believe that the Buyback is not likely to cause any material impact on the profitability / 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. Assuming that the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion of their respective Buyback Entitlement, the funds deployed by the Company towards the Buyback would be Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only).
- 9.2. In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Persons in Control have the option to participate in the Buyback. In this regard, Promoter and Persons in Control have expressed their intention vide their letters dated December 21, 2017 to participate in the Buyback and offer up to an aggregate maximum number of 3,06,64,976 Equity Shares as detailed in Clause 9.3 below or such lower number of Equity Shares as required in compliance with the Buyback Regulations/terms of the Buyback..
- 9.3. The maximum number of Equity Shares which may be tendered by the Promoter and Persons in Control who have expressed their intention to tender Equity Shares in the Buyback is as under:

Sr.	Name of the Promoter and Persons in Control	Maximum Number of Equity
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No.		Shares which may be tendered
1.	Arti Rajendra Gogri	22,52,063
2.	Aashay Rashesh Gogri	2,26,694
3.	Chandrakant Vallabhaji Gogri	77,47,899
4.	Tarla Parimal Desai	13,568
5.	Dhanvanti Vallabhaji Gogri	1,00,000
6.	Hetal Gogri Gala	29,75,894
7.	Jaya Chandrakant Gogri	5,05,133
8.	Manisha Rashesh Gogri	2,21,530
9.	Mirik Rajendra Gogri	36,79,364
10.	Nikhil Parimal Desai	5,56,476
11.	Parimal Hasmukhlal Desai	3,53,726
12.	Rajendra Vallabhaji Gogri	30,73,249
13.	Rashesh Chandrakant Gogri	47,97,248
14.	Renil Rajendra Gogri	35,12,103
15.	Sarla Shantilal Shah	171,847
16.	Indira Madan Dedhia	1,82,718
17.	Rajendra Vallabhaji Gogri (HUF)	3,15,673
18.	Pooja Renil Gogri	391
19.	Shantilal Tejshi Shah (HUF)	1,66,200
20.	Nikhil Holdings Private Limited	3,13,200
Total		3,06,64,976

- 9.4. Details of the date and price of the Equity Shares allotted/acquired/credited/transferred/transmitted to the Promoter and Persons in Control, which are intended to be tendered, are set-out as below:

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Consideration (Rs.)
Arti Rajendra Gogri					
9-Apr-91	Bonus	12,236	10	-	-
24-Nov-94	Bonus	1,17,783	10	-	-
28-Dec-01	Merger of AOL	7,335	10	28.00	2,05,390
16-Feb-05	Bonus	5,43,238	10	-	-
20-Jan-06	Split	5,32,927	5	-	-
7-May-13	Demerger of ACDL and AIL	63,933	5	12.50	7,99,163
13-Nov-15	Merger of ALFPL with AIL	9,74,611	5	0.71	6,94,007
Total		22,52,063			16,98,560
Aashay Rashesh Gogri					
30-Apr-03	Purchase	3,000	10	58.5	1,75,500
21-Jan-04	Gift from Rajendra V Gogri HUF	9,750	10	-	-
16-Feb-05	Bonus	82,848	10	-	-
21-Jan-06	Split	1,04,250	5	-	-
7-May-13	Demerger of ACDL and AIL	22,500	5	12.5	2,81,250
24-Sep-15	Merger of ACDL with AIL	4,346	5	21.57	93,750
Total		2,26,694			550,500
Chandrakant Vallabhaji Gogri					

16-Feb-05	Bonus	1,14,959	10	-	-
21-Jan-06	Split	6,55,836	5	-	-
5-Jun-13	Demerger of ACDL and AIL	1,23,041	5	5.48	6,74,737
24-Sep-15	Merger of AHL with AIL	59,171	5	10.14	5,99,766
24-Sep-15	Merger of ACDL with AIL	23,772	5	9.46	2,24,912
24-Sep-15	Merger of GSIPL with AIL	5,59,564	5	0.80	4,45,500
27-Mar-17	Purchase	51,39,602	5	780.14	4,00,96,11,160
27-Mar-17	Purchase	2,53,217	5	755.14	19,12,13,247
29-Mar-17	Purchase	1,50,000	5	761.14	11,41,70,550
31-Mar-17	Purchase	1,00,000	5	758.14	7,58,13,640
31-Mar-17	Purchase	1,53,741	5	760.00	11,68,43,160
31-Mar-17	Purchase	4,14,996	5	775.00	32,16,21,900
Total		77,47,899			4,83,12,18,572
Tarla Parimal Desai					
24-Nov-94	Bonus issue	1,784	10	-	-
16-Feb-05	Bonus issue	5,000	10	-	-
20-Jan-06	Split	6,784	5	-	-
Total		13,568			-
Dhanvanti Vallabhaji Gogri					
24-Sep-15	Merger of GSIPL & ALFPL with AIL	1,00,000	5	0.76	75,647
Total		1,00,000			75,647
Hetal Gogri Gala					
31-Oct-94	Merger SLL with AIL	31,595	10	11.81	3,73,000
31-Oct-94	Purchase	5,000	10	10.00	50,000
9-Apr-91	Bonus	72,261	10	-	-
24-Nov-91	Bonus	43,236	10	-	-
10-Dec-98	Will	46,092	10	10.00	4,60,920
17-Aug-98	Merger of MOL with AIL	3,936	10	15.00	59,040
23-Nov-00	Purchase	2,223	10	42.00	93,366
23-Nov-00	Purchase	17,777	10	42.00	7,46,634
1-Dec-01	Purchase	30,000	10	30.00	9,00,000
9-Jan-02	Purchase	3,909	10	33.00	1,28,997
28-May-05	Merger of AOL with AIL	16,390	10	27.69	4,53,800
9-Jan-02	Purchase	13,441	10	33.00	4,43,553
15-Jul-02	Purchase	53,428	10	43.00	22,97,404
16-Feb-05	Bonus	7,29,280	10	-	-
20-Jan-06	Split	10,15,363	5	-	-
4-Mar-06	Gift	90,800	5	-	-
27-Dec-11	Purchase	44,793	5	47.60	21,32,327.19
13-Jan-12	Purchase	4,88,693	5	47.89	2,34,01,759.84
5-Jun-13	Demerger of ACDL and AIL	15,188	5	12.50	1,89,850
24-Sep-15	Merger of AHL with AIL	1,962	5	10.19	19,996
24-Sep-15	Merger of GSIPL with AIL	2,08,092	5	0.80	1,65,675
24-Sep-15	Merger of ACDL	42,435	5	13.48	5,71,998.50

	with AIL				
Total		29,75,894			3,24,88,321
Jaya Chandrakant Gogri					
24-Nov-95	Bonus	21,500	10	-	-
16-Feb-05	Bonus	43,000	10	-	-
20-Jan-06	Split	64,500	5	-	-
20-Jan-12	Purchase	44,313	5	49.06	21,74,170
5-Jun-13	Demerger of ACDL and AIL	1,26,000	5	12.5	15,75,000
24-Sep-15	Merger of GSIPL with AIL	2,05,820	5	2.74	5,64,779
Total		5,05,133			43,13,949
Manisha Rashesh Gogri					
16-Feb-05	Bonus	2,766	10	-	-
21-Jan-06	Split	2,15,600	5	-	-
24-Sep-15	Merger of ACDL with AIL	3,164	5	21.57	68,250
Total		2,21,530			68,250
Mirik Rajendra Gogri					
1-Apr-91	Purchase	10,000	10	10.00	1,00,000
24-Nov-00	Purchase	45,000	10	42.00	18,90,000
9-May-02	Purchase	30,000	10	43.00	12,90,000
31-Oct-94	Merger of SLL with AIL	2,20,481	10	3.54	7,80,450
16-Feb-05	Bonus	5,37,160	10	-	-
20-Jan-06	Split	9,38,331	5	-	-
5-Jun-13	Demerger of ACDL and AIL	3,33,021	5	6.66	22,17,848
13-Nov-15	Merger of ALFPL with AIL	9,65,371	5	2.34	22,58,035
27-Mar-17	Purchase	6,00,000	5	777.89	46,67,31,003
Total		36,79,364			47,52,67,335
Nikhil Parimal Desai					
24-Nov-94	Merger of SLL with AIL	647	10	60	38,820
24-Nov-94	Bonus Issue	16,603	10	-	-
17-Sep-98	Merger of MOL with AIL	3,333	10	15.00	50,000
10-Feb-05	Bonus Issue	80,546	10	-	-
20-Jan-06	Split	1,01,128	5	-	-
07-May-13	De-merger of ACDL and AIL	2,11,592	5	5.52	1,167,529
24-Sep-15	Merger of AHL & ACDL with AIL	1,42,627	5	6.02	8,58,477
Total		56,476			1,226,014
Parimal Hasumukhlal Desai					
24-Nov-94	Merger with SLL with AIL	1,400	10	60	84,000
17-Sep-98	Merger of MOL with AIL	2,467	10	24.66	60,844
10-Feb-05	Bonus Issue	91,446	10	-	-

20-Jan-06	Split	95,314	5	-	-
18-Sep-09	Merger of SSL with AIL	13	5	53.8	700
7-May-13	De-merger of ACDL and AIL	31,920	5	10	3,19,200
24-Sep-15	Merger of AHL with AIL	6,166	5	34.51	2,12,800
20-Dec-09	Conversion of Warrants into Equity Shares	1,25,000	5	35.65	44,56,250
Total		3,53,726			49,88,950
Rajendra Vallabhaji Gogri					
31-Oct-94	Merger of SLL with AIL	30,200	10	55.43	16,73,856
24-Nov-94	Bonus	30,200	10	-	-
17-Jun-96	Purchase	1,83,758	10	8.02	14,74,064
17-Jun-96	Purchase	22,819	10	8.00	1,82,552
7-Apr-99	Purchase	500	10	30.00	15,000
17-Aug-98	Merger of MOL with AIL	53,355	10	15.00	8,00,340
17-Aug-98	Purchase	1,451	10	8.00	11,608
16-Feb-05	Bonus	5,82,483	10	-	-
20-Jan-06	Split	9,83,322	5	-	-
18-Mar-10	Purchase	2,70,345	5	35.65	96,37,799
7-May-13	Demerger of ACDL and AIL	1,83,781	5	5.11	9,38,689
13-Nov-15	Merger of ALFPL with AIL	7,31,035	5	0.65	4,77,400
Total		30,73,249			1,52,11,308
Rashesh Chandrakant Gogri					
31-Oct-94	Merger of SLL with AIL	1,01,000	10	11.99	12,10,500
24-Nov-94	Bonus	1,01,000	10	-	-
10-Feb-95	Purchase	700	10	114.09	79,865
25-Feb-95	Purchase	1,000	10	100.35	1,00,345
18-Mar-95	Purchase	1,000	10	92.66	92,660
31-Mar-95	Purchase	1,700	10	87.95	1,49,515
16-Apr-95	Purchase	2,600	10	91.09	2,36,825
15-May-95	Purchase	2,600	10	81.44	2,11,750
20-May-96	Purchase	300	10	75.65	22,695
25-Dec-96	Purchase	100	10	50.25	5,025
28-Feb-97	Purchase	1,000	10	38.10	38,100
2-Jan-97	Purchase	100	10	20.00	2,000
5-Aug-97	Purchase	100	10	24.00	2,400
27-Aug-97	Purchase	1,700	10	25.00	42,500
27-Aug-97	Purchase	1,100	10	24.02	26,417
4-Nov-97	Purchase	900	10	25.00	22,500
4-Nov-97	Purchase	200	10	24.70	4,939
27-Dec-97	Purchase	9,900	10	62.59	6,19,641
27-Dec-97	Purchase	20,000	10	25.56	5,11,299
27-Dec-97	Purchase	8,900	10	28.69	2,55,380
27-Dec-97	Purchase	1,000	10	29.30	29,300
27-Jan-98	Purchase	200	10	24.00	4,800

5-Feb-98	Purchase	50	10	28.20	1,410
10-Feb-98	Purchase	650	10	24.00	15,600
6-Apr-98	Purchase	200	10	23.74	4,748
6-May-98	Purchase	33,100	10	29.77	9,85,258
6-Jun-98	Purchase	4900	10	34.00	1,66,587
6-Jul-98	Purchase	1,100	10	25.81	28,392
17-Aug-98	Merger of MOL with AIL	700	10	15.02	10,513
4-Sep-98	Purchase	200	10	25.81	5,162
21-Mar-99	Purchase	816	10	45.00	36,720
31-Mar-99	Purchase	100	10	25.81	2,581
13-Jan-04	Purchase	12,000	10	24.95	2,99,400
13-Jan-04	Purchase	21,125	10	22.20	4,68,891
13-Jan-04	Purchase	81,075	10	15.02	12,17,637
16-Feb-05	Bonus	8,42,404	10	-	-
20-Jan-06	Split	12,27,680	5	-	-
23-Jan-12	Purchase	4,00,000	5	48.78	1,95,12,000
8-Feb-12	Purchase	1,70,046	5	58.93	1,00,20,987
5-Jun-13	Demerger of ACDL and AIL	1,96,392	5	6.70	13,16,400
24-Sep-15	Merger of AHL with AIL	97,226	5	12.06	11,72,156
24-Sep-15	Merger of ACDL with AIL	1,41,287	5	8.00	11,30,370
24-Sep-15	Merger of GSIPL with AIL	13,09,097	5	1.08	14,18,246
Total		47,97,248			4,14,81,514
Renil Rajendra Gogri					
17-Aug-98	Merger of MOL	26,666	10	15.00	4,00,000
16-Feb-05	Bonus	6,05,616	10	-	-
20-Jan-06	Split	9,88,239	5	-	-
7-May-13	Demerger of ACDL and AIL	3,28,933	5	6.52	21,45,750
24-Sep-15	Merger	41,227	5	14.66	6,04,220
24-Sep-15	Merger of AHL with AIL	58,861	5	10.19	6,00,000
24-Sep-15	Merger of ALFPL with AIL	8,62,561	5	0.71	6,14,227
24-Mar-17	Purchase	6,00,000	5	783.01	46,98,05,999
Total		35,12,103			47,41,70,196
Sarla Shantilal Shah					
9-Apr-91	Bonus Issue	1147	10	-	-
24-Nov-94	Bonus Issue	90,000	10	-	-
16-Feb-05	Bonus Issue	80,700	10	-	-
Total		1,71,847			-
Indira Madan Dedhia					
24-Nov-94	Bonus Issue	14,995	10	-	-
19-Jul-95	Purchase	700	10	60	42,000
10-Sep-96	Purchase	300	10	17.50	5,250
25-Mar-04	Purchase	7,850	10	102.80	8,07,007
10-Feb-05	Bonus Issue	67,514	10	-	-
20-Jan-06	Split	91,359	5	-	-
Total		1,82,718			8,54,257

Rajendra Vallabhaji Gogri (HUF)					
19-Mar-90	Purchase	5,000	10	20	1,00,000
19-Mar-91	Purchase	5,000	10	20	1,00,000
26-Mar-91	Purchase	3,125	10	20	62,500
9-Apr-91	Bonus	13,125	10	-	-
1992-93	Purchase	650	10	60	39,000
24-Nov-94	Bonus	26,900	10	-	-
16-Feb-05	Bonus	1,00,473	10	-	-
20-Jan-06	Split	1,61,400	5	-	-
Total		3,15,673			3,01,500
Pooja Renil Gogri					
10-Jun-14	Purchase	391	5	182.05	71,182
Total		391			71,182
Shantilal Tejshi Shah (HUF)					
19-Mar-91	Allotment	3125	10	20	62,500
09-Apr-91	Bonus Issue	3125	10	-	-
25-Jan-92	Purchase	6250	10	200	1250000
23-Sep-92	Purchase	1350	10	60	81000
24-Nov-94	Bonus Issue	13850	10	-	-
16-Feb-05	Bonus Issue	55400	10	-	-
20-Jan-06	Split	83100	5	-	-
Total		1,66,200			13,93,500
Nikhil Holdings Private Limited					
1991	Purchase	26,000	10	14	3,64,000
13-Apr-92	Allotment through public issue	100	10	46	4600
24-Nov-94	Bonus Issue	26,100	10	-	-
16-Feb-05	Bonus Issue	1,04,400	10	-	-
20-Jan-06	Split	1,56,600	5	-	-
Total		3,13,200			3,68,600

Note:

- 1) AOL- Alchemie Organics Limited
- 2) ACDL - Anushakti Chemicals and Drugs Limited
- 3) AHL - Anushakti Holdings Limited
- 4) AIL - Aarti Industries Limited
- 5) ALFPL - Alchemie Leasing and Financing Private Limited
- 6) GSIPL - Gogri & Sons Investments Private Limited
- 7) MOL – Mahaval Organics Limited
- 8) SLL - Salvigor Laboratories Limited
- 9) SSL - Surfactant Specialities Limited
- 10) Sub-division of face value from Rs. 10/- per Equity Share to Rs. 5/- per Equity Share with effect from January 20, 2006.
- 11) Anushakti Chemical and Drugs Limited, Anushakti Holdings Limited, Alchemie Leasing and Financing Private Limited, Gogri & Sons Investments Private Limited were amalgamated into Aarti Industries Limited pursuant to a common scheme of amalgamation approved by the Hon'ble High Courts at Ahmedabad and Bombay dated July 10, 2015 and July 31, 2015 respectively.

9.5. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post

the Buyback may increase to [●]% from 53.63% prior to Buyback. Please refer to paragraph 13.6 for further details.

- 9.6. Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Equity Shareholders other than Promoter and Persons in Control, post the Buyback may decrease to [●]% from 46.37% prior to Buyback. Please refer to paragraph 13.6 for further details.
- 9.7. The Buyback of Equity Shares shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.8. Consequent to the Buyback and depending on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person shall undergo a change. Please refer to paragraph 13.6 for further details.
- 9.9. The debt-equity ratio immediately on completion of Buyback shall be in compliant with the permissible limit of 2:1 prescribed under the Act even if the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement.
- 9.10. We believe that the Buyback is not expected to impact growth opportunities for the Company.
- 9.11. The Promoter and Persons in Control of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoter and Persons in Control during the period from the date of passing the board resolution till the closing of the Buyback.
- 9.12. The Company shall not issue any new Equity Shares or other specified securities including by way of bonus till the date of closure of the Buyback.
- 9.13. The Company shall not raise further capital for a period of one year from the closure of the Buyback except in discharge of its subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.14. Salient financial parameters consequent to the Buyback based on the audited standalone and consolidated financial statements for the financial year ended on March 31, 2017 are as under:

Parameters	Based on Consolidated Financial Statements		Based on Standalone Financial Statements	
	Pre Buyback	Post Buyback	Pre Buyback	Post Buyback
Net Worth (Rs. in Lakhs) ⁽¹⁾	1,33,385	1,23,540	1,28,078	1,18,233
Profit After Tax (Rs. In Lakhs)	31,578	31,578	30,668	30,668
Return on Net Worth ⁽²⁾	23.67%	25.56%	23.94%	25.94%
Earnings Per Share (EPS) (Basic) (in Rs.) ⁽³⁾⁽⁴⁾	38.45	38.84	37.35	37.72
Book Value per Equity Share (in Rs.) ⁽⁵⁾	162.43	151.96	155.96	145.43
Price Earnings (PE) Multiple ⁽⁶⁾	19.91	19.71	20.50	20.30
Debt/ Equity ratio ⁽⁷⁾	1.17	1.27	1.21	1.31

(1) Net Worth is equal to Equity Share Capital + Reserves and Surplus - OCI

(2) Return on Net Worth = Net Profit / (Loss) after Tax / Net worth

- (3) *Earnings per Share = Net Profit / (Loss) after Tax Attributable to Equity Share holders / Weighted number of Equity Shares outstanding*
- (4) *EPS post Buyback is computed after reducing 8,20,383 Equity Shares to be bought back under the Buyback from weighted average number of Equity Shares outstanding*
- (5) *Book value per Equity Share = Net worth / Number of Equity Shares*
- (6) *PE Multiple = Market Value per Equity Share as on March 31, 2017 on NSE / EPS as per latest audited financial statements as on March 31, 2017*
- (7) *Debt-Equity Ratio = Debt / Equity (Equity Share Capital + Reserves and Surplus - OCI)*

10. BASIS OF CALCULATING THE BUYBACK PRICE

- 10.1. The Equity Shares are proposed to be bought back at a price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share.
- 10.2. The Buyback Price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share has been arrived at after considering various factors including, but not limited to, the volume weighted average market price of the Equity Shares on the NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) during 3 (three) months and 2 (two) weeks preceding the date of the intimation of the Board Meeting i.e. December 18, 2017, the closing market price on the date of the intimation of the Board Meeting i.e. December 18, 2017 and the impact on the net worth of the Company and possible impact of Buyback on earnings and return on net worth per Equity Share.
- 10.3. The Buyback Price represents a premium of 32.86% over the volume weighted average market price of the Equity Shares on the NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) for 3 (three) months preceding the date of the intimation of the Board Meeting i.e. December 18, 2017 which was Rs. 903.18 and 32.72% over the volume weighted average market price of the Equity Shares on the NSE for 2 (two) weeks preceding the date of the intimation of the Board Meeting i.e. December 18, 2017 which was Rs. 904.17. The closing market price of the Equity Shares as on the date of the intimation of the Board Meeting i.e. December 18, 2017 was Rs. 975.65 on BSE and Rs. 973.75 on NSE.
- 10.4. The Buyback Price is 7.69 and 7.39 times of the book value per Equity Share of the Company as on March 31, 2017 which was Rs. 155.96 and Rs. 162.43 per Equity Share based on standalone financial statements and consolidated financial statements, respectively.
- 10.5. The earnings per Equity Share (basic) of the Company prior to the Buyback, for the financial year ended March 31, 2017 was Rs. 37.35 and Rs. 38.45 per Equity Share based on standalone financial statements and consolidated financial statements respectively. Assuming full acceptance under the Buyback, the earnings per Equity Share (basic) of the Company for the financial year ended March 31, 2017 will be Rs. 37.72 and Rs. 38.84 per Equity Share based on standalone financial statements and consolidated financial statements respectively post the Buyback.
- 10.6. The return on net worth per Equity Share prior to the Buyback, for the financial year ended March 31, 2017 was 23.94% and 23.67% per Equity Share based on standalone financial statements and consolidated financial statements respectively. Assuming full acceptance under the Buyback, the return on net worth per Equity Share for the financial year ended March 31, 2017 will be 23.95% and 23.68% per Equity Share based on standalone financial statements and consolidated financial statements respectively post the Buyback.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only)
- 11.2. The funds for the Buyback will be sourced from adequate internal accruals/reserves and surplus and firm financial resources of the Company. The Company does not intend to raise additional debt for the explicit

purposes of the Buyback. Thus, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.

11.3. The cost of financing the Buyback would be notional loss in income, if any.

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

12.1. In accordance with Regulation 10 of the Buyback Regulations, the Company has appointed [●] as the Escrow Agent for the Buyback. The Company, the Manager to the Buyback and the Escrow Agent have entered into an Escrow Agreement dated [●], 2018, pursuant to which the Escrow Account in the name and style “[●]” bearing account number [●] has been opened with the Escrow Agent at its branch office located at [●]. The Company will deposit Rs. [●] in the Escrow Account, in terms of the Buyback Regulations. The Manager has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.

12.2. The Company has adequate and firm financial resources to fulfill its obligations under the Buyback and the same has been certified vide a certificate dated December 21, 2017 by Mr. Milind Bhawe (Membership No.:047973), Partner of Kirtane & Pandit LLP, Chartered Accountants (ICAI Firm Registration No.: 105215W/W100057), having their office at H/16, Saraswat Colony, Sitladevi Temple Road, Mahim, Mumbai 400 016 and Telephone No +91 22 2444 4119.

12.3. Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that the 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

13.1. The present capital structure of the Company pre Buyback and Post Buyback is as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	Pre Buyback	Post Buyback*
1.	Authorized Share Capital:		
	23,01,50,320 Equity Shares of Rs. 5/- each	11,507.52	11,507.52
2.	Issued, Subscribed and Paid-up Capital:		
	82,120,383 Equity Shares of Rs. 5/- each	4,106.02	-
	81,300,000* Equity Shares of Rs. 5/- each	-	4,065.00

*Assuming full acceptance in the Buyback.

13.2. Except for the below mentioned buyback programme, the Company has not bought back any equity shares under any buyback programme during the 3 years preceding the date of the Public Announcement:

No. of Equity Shares bought back	Buyback Price per Equity Shares (Rs.)	Offer Opening Date	Offer Closing Date
12,00,000	800	November 24, 2016	December 7, 2016

13.3. As on date of this Draft Letter of Offer, there are no partly paid-up Equity Shares outstanding.

13.4. As on date of this Draft Letter of Offer, there are no outstanding securities convertible into Equity Shares.

13.5. As on date of this Draft Letter of Offer, there is no amount under calls in arrears.

13.6. The shareholding pattern of the Company (a) pre Buyback i.e. as on date of the Public Announcement; and (b) the post Buyback is as follows:

Category of Shareholder	Pre Buyback		Post Buyback*	
	Number of Shares	% to pre Buyback Equity Share capital	Number of Shares	% to post Buyback Equity Share capital
Promoter and Persons in Control	440,41,297	53.63	[●]	[●]
Foreign Investors (including Non-Resident Indians FIIs and Foreign Mutual Funds)	35,52,639	4.33	[●]	[●]
Financial Institutions/Banks & Mutual Funds promoted by Banks/ Institutions	106,87,675	13.01		
Others (Public, Public Bodies Corporate, etc.)	238,38,772	29.03		
Total	8,21,20,383	100.00	[●]	[●]

* Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement.

- 13.7. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.
- 13.8. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post the Buyback may increase to [●]% from 53.63% prior to the Buyback.
- 13.9. No Equity Shares were either purchased or sold by the Promoter and Persons in Control, as mentioned in paragraph 6.3, during a period of six months preceding the date of the Board Meeting i.e. December 21, 2017 at which the Board approved the proposal for Buyback except the following:

Sr. No.	Name of Shareholders	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
A. Promoter							
1.	Chandrakant Vallabhaji Gogri	(10,152)	Sale	920.90	23-Nov-17	911.00	29-Nov-17
2.	Shantilal Tejshi Shah	(1,50,000)	Gift Given	N.A.	N.A.	N.A.	N.A.
B. Promoter Group							
1.	Hetal Gogri Gala	(2,000)	Sale	969.75	20-July-17	969.75	20-July-17
2.	Mirik Rajendra Gogri	(14,120)	Sale	925.00	11-Oct-17	920.00	11-Oct-17
3.	Arti Rajendra Gogri	(25,000)	Sale	932.00	11-Oct-17	923.00	11-Oct-17
4.	Jaya Chandrakant Gogri	(1,84,745)	Sale	993.75	13-Jul-17	889.90	28-Jun-17
5.	Sarla Shantilal Shah	(1,50,000)	Gift Given	N.A.	N.A.	N.A.	N.A.
6.	Nikhil Parimal Desai	2,37,787	Gift Received	N.A.	N.A.	N.A.	N.A.
7.	Rinku Parimal Desai	(2,37,787)	Gift Given	N.A.	N.A.	N.A.	N.A.
8.	Prasadi Yogesh Banatwala	(1,975)	Sale	958.00	31-Oct-17	890.00	5-Dec-17
9.	Nikhil Holdings Private Limited	(1,281)	Sale	988.35	27-July-17	976.50	27-July-17

13.10. No Equity Shares were either purchased or sold by the Promoter and Persons in Control, as mentioned in paragraph 6.3, during a period of twelve months preceding the date of the Public Announcement i.e. December 22, 2017 except the following:

Name of Promoter and Persons in Control	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
Promoter						
Chandrakant Vallabhaji Gogri	62,11,556	Inter-se Purchase	780.00	27-Mar-17	755.13	31-Mar-17
	(4,86,877)	Gift Given	N.A.	N.A.	N.A.	N.A.
	10,152	Sale	920.90	23-Nov-17	911.00	29-Nov-17
Rajendra Vallabhaji Gogri	(6,00,000)	Inter-se Sale	782.50	23-Mar-17	782.50	23-Mar-17
Shantilal Tejshi Shah	(6,50,000)	Gift Given	N.A.	N.A.	N.A.	N.A.
	(46,634)	Inter-se Sale	755.78	30-Mar-17	755.78	30-Mar-17
Parimal Hasmukhlal Desai	(63,645)	Gift Given	N.A.	N.A.	N.A.	N.A.
Promoter Group						
Rashesh Chandrakant Gogri	(1,00,000)	Sale	703.00	4-Jan-2017	703.00	4-Jan-17
Hetal Gogri Gala	(9,51,059)	Inter-se Sale	779.85	27-Mar-17	779.85	27-Mar-17
	(1,52,000)	Sale	969.75	20-Jun-17	680.00	29-Dec-16
Mirik Rajendra Gogri	(2,613,409)	Inter-se Sale	779.85	27-Mar-17	754.10	30-Mar-17
	6,00,000	Inter-se Purchase	777.50	27-Mar-17	777.40	27-Mar-17
Renil Rajendra Gogri	(5,50,000)	Gift Given	N.A.	N.A.	N.A.	N.A.
	(14,120)	Sale	925.00	11-Oct-17	920.00	11-Oct-17
	6,00,000	Inter-se Purchase	782.50	23-Mar-17	782.50	23-Mar-17
Arti Rajendra Gogri	(5,50,000)	Gift Given	N.A.	N.A.	N.A.	N.A.
	(6,00,000)	Inter-se Sale	777.50	27-Mar-17	777.40	27-Mar-17
Jaya Chandrakant Gogri	(25,000)	Sale	932.00	11-Oct-17	923.00	11-Oct-17
	(16,36,231)	Inter-se Sale	779.85	27-Mar-17	754.68	31-Mar-17
Sarla Shantilal Shah	(3,01,324)	Sale	993.75	13-Jul-17	786.50	7-Apr-17
	(95,361)	Inter-se Sale	754.25	30-Mar-17	754.25	30-Mar-17
Nehal Garewal	(1,50,000)	Gift Given	N.A.	N.A.	N.A.	N.A.
	(38,945)	Inter-se Sale	754.25	30-Mar-17	754.25	30-Mar-17
Heena Bhatia	(22,001)	Inter-se Sale	754.25	30-Mar-17	754.25	30-Mar-17
Aashay Rashesh Gogri	(4,62,081)	Inter-se Sale	774.65	28-Mar-17	759.66	29-Mar-17
Manisha Rashesh Gogri	(4,42,120)	Inter-se Sale	779.85	27-Mar-17	779.85	27-Mar-17

Name of Promoter Persons Control	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
Nikhil Parimal Desai	2,37,787	Gift Received	N.A.	N.A.	N.A.	N.A.
Dhanvanti Vallabhji Gogri	(2,44,858)	Gift Given	N.A.	N.A.	N.A.	N.A.
Rinku Parimal Desai	(2,37,787)	Gift Given	N.A.	N.A.	N.A.	N.A.
Prasadi Yogesh Banatwala	(1,975)	Sale	958.00	31-Oct-17	890.00	5-Dec-17
Anushakti Enterprise Private Limited	10,31,580	Gift Received	N.A.	N.A.	N.A.	N.A.
Nikhil Holdings Private Limited	(1,281)	Sale	988.35	27-Jul-17	976.50	27-Jul-17
Safechem Enterprises Private Limited	14,70,000	Gift Received	N.A.	N.A.	N.A.	N.A.
Shantilal Tejshi Shah (HUF)	2,02,941	Inter-se Purchase	754.25	30-Mar-17	754.25	30-Mar-17
Ratanben Premji Gogri	20,000	Sale	879.75	27-April-17	827.50	27-April-17

13.11. No Equity Shares were either purchased or sold by the directors of the promoter companies, as mentioned in paragraph 6.4, during a period of six months preceding the date of the Board Meeting i.e. December 21, 2017 except the following:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
Valiant Organics Limited (Formerly known as Valiant Organics Private Limited)						
Chandrakant Vallabhaji Gogri	(10,152)	Sale	920.90	23-Nov-17	911.00	29-Nov-17
Alchemie Financial Services Limited						
Hetal Gogri Gala	(2,000)	Sale	969.75	20-Jul-17	969.75	20-Jul-17
Nikhil Holdings Private Limited						
Nikhil Parimal Desai	237787	Gift Received	N.A.	27-Nov-17	N.A.	27-Nov-17
Gogri Finserv Private Limited						
Hetal Gogri Gala	(2,000)	Sale	969.75	20-Jul-17	969.75	20-Jul-17
Jaya Chandrakant Gogri	(1,84,745)	Sale	993.75	13-Jul-17	889.90	28-Jun-17
Alchemie Finserv Private Limited						
Arti Rajendra Gogri	(25,000)	Sale	932.00	11-Oct-2017	923.00	11-Oct-17
Anushakti Enterprises Private Limited						

Chandrakant Vallabhaji Gogri	(10,152)	Sale	920.90	23-Nov-17	911.00	29-Nov-17
Hetal Gogri Gala	(2,000)	Sale	969.75	20-Jul-17	969.75	20-Jul-17
Jaya Chandrakant Gogri	(1,84,745)	Sale	993.75	13-Jul-17	889.90	28-Jun-17
Safechem Enterprises Private Limited						
Arti Rajendra Gogri	(25,000)	Sale	932.00	11-Oct-17	923.00	11-Oct-17
Mirik Rajendra Gogri	(14,120)	Sale	925	11-Oct-17	920	11-Oct-17

13.12. No Equity Shares were either purchased or sold by the directors of the promoter companies, as mentioned in paragraph 6.4, during a period of twelve months preceding the date of the Public Announcement i.e. December 22, 2017 except the following:

Name of Shareholder	Aggregate No. of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
Valiant Organics Limited (Formerly known as Valiant Organics Private Limited)						
Chandrakant Vallabhaji Gogri	62,11,556	Inter-se Purchase	780.00	27-Mar-17	755.13	31-Mar-17
	(4,86,877)	Gift Given	N.A.	N.A.	N.A.	N.A.
	(10,152)	Sale	920.90	23-Nov-17	911.00	29-Nov-17
Mahek Manoj Chheda	90,025	Gift Received	N.A.	7-Apr-17	N.A.	7-Apr-17
Nikhil Holdings Private Limited						
Parimal Has Mukhlal Desai	(63,645)	Gift Given	N.A.	N.A.	N.A.	N.A.
Nikhil Parimal Desai	2,37,787	Gift Received	N.A.	N.A.	N.A.	N.A.
Alchemie Financial Services Limited						
Rashesh Chandrakant Gogri	(1,00,000)	Sale	703.00	4-Jan-17	703.00	4-Jan-17
	(9,51,059)	Inter-se Sale	779.85	27-Mar-17	779.85	27-Mar-17
Hetal Gogri Gala	(1,52,000)	Sale	969.75	20-Jun-17	680.00	29-Dec-16
	(26,13,409)	Inter-se Sale	779.85	27-Mar-17	754.10	30-Mar-17
Anushakti Enterprise Private Limited						
Chandrakant Vallabhaji Gogri	62,11,556	Inter-se Purchase	780.00	27-Mar-17	755.13	31-Mar-17
	(4,86,877)	Gift Given	N.A.	-	N.A.	-
	(10,152)	Sale	920.90	23-Nov-17	911.00	29-Nov-17
Rashesh Chandrakant Gogri	(1,00,000)	Sale	703.00	4-Jan-17	703.00	4-Jan-17
	(9,51,059)	Inter-se Sale	779.85	27-Mar-17	779.85	27-Mar-17
Hetal Gogri Gala	(1,52,000)	Sale	969.75	20-Jun-17	680.00	29-Dec-16
	(26,13,409)	Inter-se Sale	779.85	27-Mar-17	754.10	30-Mar-17
Jaya Chandrakant Gogri	(16,36,231)	Inter-se Sale	779.85	27-Mar-17	754.68	31-Mar-17
	3,01,324	Sale	993.75	13-Jul-17	786.50	7-Apr-17

Gogri Finserv Private Limited						
Rashesh Chandrakant Gogri	(1,00,000)	Sale	703.00	4-Jan-17	703.00	4-Jan-17
	(9,51,059)	Inter-se Sale	779.85	27-Mar-17	779.85	27-Mar-17
Hetal Gogri	(1,52,000)	Sale	969.75	20-Jun-17	680.00	29-Dec-16
Gala	(26,13,409)	Inter-se Sale	779.85	27-Mar-17	754.10	30-Mar-17
Jaya Chandrakant Gogri	(16,36,231)	Inter-se Sale	779.85	27-Mar-17	754.68	30-Mar-17
	(3,01,324)	Sale	993.75	13-Jul-17	786.50	7-Apr-17
Safechem Enterprises Private Limited						
Rajendra Vallabhaji Gogri	(6,00,000)	Inter-se Sale	782.50	23-Mar-17	782.50	23-Mar-17
Renil Rajendra Gogri	(5,50,000)	Gift Given	N.A.	29-Mar-17	N.A.	29-Mar-17
	6,00,000	Inter-se Purchase	782.50	23-Mar-17	782.50	23-Mar-17
Mirik Rajendra Gogri	6,00,000	Inter-se Purchase	777.50	27-Mar-17	777.40	27-Mar-17
	(5,50,000)	Gift Given	N.A.	29-Mar-17	N.A.	29-Mar-17
	(14,120)	Sale	925.00	11-Oct-17	920.00	11-Oct-17
Arti Rajendra Gogri	(600,000)	Inter-se Sale	777.50	27-Mar-17	777.40	27-Mar-17
	(25,000)	Sale	932.00	11-Oct-17	923.00	11-Oct-17
Alchemie Finserv Private Limited						
Rashesh Chandrakant Gogri	(100,000)	Sale	703.00	4-Jan-17	703.00	4-Jan-17
	(951059)	Inter-se Sale	779.85	27-Mar-17	779.85	27-Mar-17
Hetal Gogri	(1,52,000)	Sale	969.75	20-Jun-17	680.00	29-Dec-16
Gala	(2,613,409)	Inter-se Sale	779.85	27-Mar-17	754.10	30-Mar-17

14. BRIEF INFORMATION ABOUT THE COMPANY

14.1. History of the Company

The Company was incorporated in the name of Aarti Organics Private Limited on September 28, 1984 under Companies Act 1956 with the Registrar of Companies, Gujarat and was converted into a Public Limited Company on October 12, 1990 with fresh certificate of incorporation consequent on change of name to Aarti Organics Limited. On October 11, 1994, the name of the Company was changed from Aarti Organics Limited to Aarti Industries Limited, under the provision of the Companies Act, 1956 with fresh certificate of incorporation consequent on change of name issued by the Registrar of Companies, Gujarat. The registered office of the Company is located at Plot Nos. 801, 801/23, GIDC Estate, Phase III, Vapi -396 195, Dist. Valsad, Gujarat and corporate office is located at 71, Udyog Kshetra, 2nd Floor, Mulund – Goregaon Link Road, L.B.S. Marg, Mulund (West), Mumbai – 400 080. The Equity Shares of the Company were listed in the year 1995 on the NSE (**Symbol:** AARTIIND) and in the year 1992 on the BSE (**Script Code:** 524208). The ISIN no. of the Company is INE769A01020. The Company's Corporate Identity Number (CIN) is L24110GJ1984PLC007301.

The Company is a manufacturer of speciality chemicals with diversified end-uses into agrochemicals, pharmaceuticals, high performance polymers, paints, pigments, printing inks, rubber chemicals, additives, surfactants, dyes, oil & gas additives, flavours & fragrances, etc. The Company's derisking by diversification has helped it withstand the volatilities & downturns of a specific end-user segment and also helps to capitalize on the growth opportunities in other end-user segments.

14.2. Growth of Business

The Company is a global citizen with over 50% of its revenues coming from exports. The Company has an expansive global footprint where they supply products to various countries worldwide. The Company's global market share for a wide range of its products and global scale of operations with strong thrusts on the Safety Health and Environment initiatives had helped it to transform from a typical Vendor to a **'Partner of Choice'** for various global major in the chemical industry. Over the years Company has built a differentiated model, which gives an edge over peers and global competition. Its diversified product mix and large customer base serviced with consistent and in-time deliveries of products meeting the stringent customer specifications has helped it garner a large part of its supplies into more stronger and strategically aligned relationships with its customer .

14.3. Financial Performance

- a) As per standalone financial statements for the financial years ended March 31, 2017, 2016 and 2015, the Company recorded total income of Rs. 3,05,273 Lakhs, Rs. 2,94,327 Lakhs and Rs. 2,87,610 lakhs respectively, and Profit/(Loss) after tax of Rs. 30,668 Lakhs, Rs. 25,243 Lakhs and Rs. 18,780 Lakhs respectively.
- b) As per consolidated financial statements for the financial years ended March 31, 2017, 2016 and 2015, the Company recorded total income of Rs. 3,16,542 Lakhs, Rs. 3,01,253 Lakhs and 2,91,697 lakhs respectively, and Profit after tax of Rs. 31,578 Lakhs, Rs. 25,688 Lakhs and Rs. 20,588 Lakhs respectively.
- c) Figures for both Standalone basis and Consolidated basis, for the financial year ended March 31, 2017 and March 31, 2016 are in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and figures for the year ended March 31, 2015 are in accordance with the Accounting Standard notified under Companies (Accounting Standard) Rule, 2006 (as amended) other relevant provisions of the Act (IGAAP).

14.4. The details of changes in the equity share capital of the Company since its incorporation are as follows:

Sr. No.	Date of Allotment	No. of Equity Shares issued	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Cumulative No. of Equity Shares	Details
1	September 28, 1984	2	100	100	Cash	2	Subscription to MOA
2	September 30, 1985	2,940	100	100	Cash	2,942	Further Issue of Equity Shares
3	January 22, 1987	6,758	100	100	Cash	9,700	Further Issue of Equity Shares
4	September 29, 1989	Sub-division of Equity Shares from Rs. 100/- to Rs.10/-				97,000	Subdivision of Equity Shares from Rs. 100/- to Rs. 10/-
4	September 30, 1989	2,18,220	10	10	Cash	3,15,220	Further Issue of Equity Shares
5	January 24, 1990	5,45,380	10	10	Cash	8,60,600	Further Issue of Equity Shares
6	June 30, 1990	92,800	10	10	Cash	9,53,400	Further Issue of Equity Shares
7	September 28, 1990	4,96,600	10	10	Cash	14,50,000	Further Issue of Equity Shares
8	April 09, 1991	14,50,000	10	10	Other than Cash	29,00,000	Issue of Bonus Shares

9	April 13, 1992	10,00,500	10	46	Cash	39,00,500	Allotment through Public Issue	
10	November 24, 1994	15,00,000	10	10	Other than Cash	54,00,500	Allotment pursuant to merger with Salvigor Laboratories Limited	
11	November 24, 1994	54,00,500	10	10	Other than Cash	1,08,01,000	Issue of Bonus Shares	
12	September 17, 1998	8,33,333	10	10	Other than Cash	1,16,34,333	Issue of shares on merger with Mahaval Organics Limited	
13	November 19, 1999	(11,954)	10	-	-	1,16,22,379	Buyback of Equity Shares	
14	March 15, 2002	5,12,525	10	10	Other than Cash	1,21,34,904	Issue of Equity Shares on merger with Alchemie Organics Limited	
15	February 16, 2005	2,42,69,808	10	-	Other than Cash	3,64,04,712	Issue of Bonus Shares	
16	January 20, 2006	Sub-division of Equity Shares from Rs. 10/- to Rs.5/-					7,28,09,424	Subdivision of Equity Shares from Rs. 10/- to Rs. 5/-
17	September 18, 2009	8,85,649	5	5	Other than Cash	7,36,95,073	Issue of shares on merger with Avinash Drugs Limited and Surfactant Specialities Limited	
18	December 20, 2009	30,25,000	5	5	Cash	7,67,20,073	Conversion of Warrants into Equity Shares	
19	March 27, 2012	24,00,000	5	5	Cash	7,91,20,073	Conversion of Warrants into Equity Shares	
20	May 07, 2013	94,71,614	5	5	Other than Cash	8,85,91,687	Issue of Equity Shares on demerger with ACDL	
21	September 24, 2015	(2,19,97,705)	5	5	-	6,65,93,982	Reduction of Capital	
22	September 24, 2015	167,26,401	5	5	Other than Cash	8,33,20,383	Issue of Equity Shares on merger with GSIPL, ALFPL, AHL & ACDL	
23	December 16, 2016	(12,00,000)	5	800	Cash	8,21,20,383	Extinguishment of Equity Shares pursuant to buyback	

Total	8,21,20,383					
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14.5. The Details of the Board of Directors of the Company as on date of Public Announcement i.e. December 22, 2017 are as follows:

Name, DIN, Age and Occupation of the Director	Designation	Qualifications	*Date of Appointment/ Reappointment	Directorships in Other Companies
Rajendra Vallabhaji Gogri DIN: 00061003 Age:58 Occupation: Industrialist	Chairman and Managing Director	Bachelor in Chemical Engineering	October 1, 1990	1. Aarti Drugs Limited 2. Safechem Enterprises Private Limited 3. Alchemie Finserv Private Limited 4. Crystal Millennium Realtors Private Limited 5. Kutchi Angel Network Private Limited 6. Alchemie Europe Limited 7. Aarti Polychem Private Limited

<p>Rashesh Chandrakant Gogri</p> <p>DIN: 00066291</p> <p>Age:43</p> <p>Occupation: Industrialist</p>	<p>Vice Chairman and Managing Director</p>	<p>Degree in Engineering (production)</p>	<p>June 9, 1997</p>	<ol style="list-style-type: none"> 1. Aarti Drugs Limited 2. Spark Pharmachem Private Limited 3. Alchemie Dye Chem Private Limited 4. Ganesh Polychem Limited 5. Gogri Finserv Private Limied 6. Crystal Millennium Realtors Private Limited 7. Anushakti Enterprise Limited 8. Alabhya Trusteeship Private Limited 9. Saswat Trusteeship Private Limited 10. Aarti Polychem Private Limited 11.
<p>Shantilal Tejshi Shah</p> <p>DIN: 00004850</p> <p>Age:79</p> <p>Occupation: Industrialist</p>	<p>Vice Chairman</p>	<p>B.Com</p>	<p>April 25, 1990</p>	<ol style="list-style-type: none"> 1. Kutchi Realtors and Developers Private Limited 2. Nascent Chemical Industries Limited 3. Aarti Ventures Limited 4. Unidus Developers and Logistics Private Limited 5. Crystal Millennium Realtors Private Limited 6. Radiant Entertainments Private Limited 7. Aarti Corporate Services Limited

Parimal Hasmukhlal Desai DIN: 00009272 Age:68 Occupation: Industrialist	Whole-time Director	B. Chem Engineering, ICT Mumbai	September 28,1984	1. Nikhil Holdings Private Limited. 2. Aarti Corporate Services Limited
Manoj Murjibhai Chheda DIN: 00022699 Age:55 Occupation: Service	Whole-time Director	B.Com	November 25, 1993	1. Aarti Corporate Services Limited
Kirit Ratilal Mehta DIN: 00051703 Age:69 Occupation: Service	Whole-time Director	B.Com	September 18, 2000	2. Innovative Envirocare Jhagadia Limited 3. Sarigam Waste and Effluent Management Company Limited 4. Vapi Green Enviro Limited 5. Dilesh Logistics (India) Private Limited
Hetal Gogri Gala DIN: 00005499 Age:42 Occupation: Industrialist	Whole-time Director	Bachelor of Engineering Degree (electronics)	August 28, 2002	1. Alchemie Dye Chem Private Limited 2. Gogri Finserv Private Limited 3. Anushakti Enterprise Private Limited 4. Aarti Vikas & Seva Mission 5. Alabhya Trusteeship Private Limited 6. Saswat Trusteeship Private Limited 7. Alchemie Financial Services Limited

Renil Rajendra Gogri DIN: 01582147 Age:30 Occupation: Industrialist	Whole-time Director	Bachelor of Technology Indian Institute of Technology Bombay (In mechanical Engineering)	August 16, 2012	<ol style="list-style-type: none"> 1. Safechem Enterprises Private Limited 2. Alchemie Finserv Private Limited 3. Aarti Polychem Private Limited 4.
Ramdas Maneklal Gandhi DIN: 00029437 Age:84 Occupation: Advocate	Independent Director	LL.M and Solicitor Degree	January 29, 1990	<ol style="list-style-type: none"> 1. Vinyl Chemicals (India) Limited 2. Aarti Drugs Limited 3. Unichem Laboratories Limited
Radheshyam Sobhraj Rohra DIN: 00163318 Age: 61 Occupation: Consultancy	Additional Director	Bachelor of Technology (Chemical Engineering), L.L.B, Post Graduate Diploma in Management	December 21, 2017	
Laxmichand Kakubhai Jain DIN: 00042099 Age:76 Occupation: Professional	Independent Director	Bachelor of Science in Chemical Engineering and Master of Science	January 29, 1990	-
K.V.S. Shyam Sunder DIN: 00502621 Age:74 Occupation: Professional	Independent Director	Fellow Chartered Accountant	September 23, 2008	<ol style="list-style-type: none"> 1. Ladderup Finance Limited 2. Ladderup Corporate Advisory Private Limited 3. Ladderup Wealth Management Private Limited 4. Liners India Limited

Premchandra Sethi DIN: 00004038 Age:73 Occupation: Professional	Independent Director	B.Com and Post Graduate Diploma in Costing & Management Accounting	September 23, 2008	1. Pro-G Agro Private Limited
Bhavesh Rasiklal Vora DIN: 00267604 Age:50 Occupation: Practising Chartered Accountant	Independent Director	Fellow Chartered Accountant	September 23, 2008	1. Aarti Drugs Limited 2. Pinnacle Science Private Limited
Prof. Ganapati D. Yadav DIN: 02235661 Age:65 Occupation: Vice Chancellor of Institute of Chemical Technology (ICT)	Independent Director	B.Chem. Eng., Ph.D.(Tech.), F.N.A., F.N.A.Sc.,Ch. E., F.I.Chem.E.(U K), F.M.A.Sc., F.I.I.Ch.E., F.I.C.S.	September 25, 2014	1. Clean Science and Technology Private Limited
Priti Paras Savla DIN: 00662996 Age:40 Occupation: Pratising Chartered Accountant	Independent Director	Chartered Accountant	September 25, 2014	1. Aarti Drugs Limited 2. Perch Strategic Advisors Private Limited 3. Perch Foundation

**Date indicates the original date of appointment*

14.6. The details of changes in the Board of Directors during the last 3 years preceding the date of Public Announcement are as under:

Name of the Director	Appointment/ Resignation/Change in Designation/Re- appointment	Effective Date	Reasons
Kirit Ratilal Mehta	Re-appointment	September 18, 2015	Re-Appointment as Whole-Time Director
Prof. Ganapati Yadav	Change in Designation	September 24, 2015	Appointment as Independent Director of the Company under provisions of Companies Act 2013 notified w.e.f April 1, 2014 for period of 3 consecutive years w.e.f September 24, 2015
Priti Paras Savla	Change in Designation	September 24, 2015	Appointment as Independent Director of the Company under provisions of Companies Act, 2013 notified w.e.f April 1, 2014 for period of 3 consecutive years w.e.f September 24, 2015
Parimal Hasmukhlal Desai	Re-appointment	February 10, 2016	Re-Appointment as Whole-Time Director
Vijay Hanamant Patil	Resignation	September 27, 2017	Resignations Letter by giving a notice in writing to the Company from his directorship in terms of Section 168 of the Companies Act, 2013
Radheshyam Sobhraj Rohra	Appointment	December 21, 2017	Appointed as Independent Director in terms of provisions of Companies Act, 2013
Rashesh Chandrakant Gogri	Re-appointment	June 9, 2017	Re-Appointment as Managing Director
Renil Rajendra Gogri	Re-appointment	August 16, 2017	Re-Appointment as Whole-Time Director

- 14.7. The Buyback will not result in any benefit to any Directors of the Company except to the extent of the Equity Shares held by them in the Company which they may tender in the Buyback or the Promoter and Persons in Control of the Company except to the extent of their intention to participate in the Buyback and actual participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share Capital of the Company, post Buyback.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1. Based on audited standalone financial statements

The financial information for last three audited standalone financial years and audited standalone financial results as on September 30, 2017 is stated below:

Particulars	(Rs. In Lakhs)				
	For the period ended on September 30, 2017 ⁽³⁾	For the year ended March 31, 2017 ⁽³⁾	For the year ended March	For the year ended March 31,	For the year ended March 31, 2015 ⁽⁴⁾

			31,2016 ⁽³⁾	2016 ⁽⁴⁾	
	Audited	Audited	Audited	Audited	Audited
	Ind AS	Ind AS	Ind AS	I Gaap	I Gaap
Months	6	12	12	12	12
Total Income ⁽¹⁾	1,67,990	3,05,273	2,94,327	2,72,665	2,87,610
Total Expenses ⁽²⁾	1,38,103	2,44,181	2,40,343	2,18,681	2,41,417
Finance Cost	6,062	11,738	11,590	11,590	13,748
- Interest on NCD's	1039	2350	2350	2350	1565
- Other Interest Expenses	4637	8783	8406	8406	10888
- Other Borrowing Costs	386	605	834	834	1295
Depreciation and amortization expense	6,469	11,480	9,269	9,269	7,865
Profit/(Loss) before Tax	17,356	37,874	33,125	33,125	24,580
Provision for Tax (including Deferred Tax)	3,200	7,206	7,882	7,882	5,800
Profit/(Loss) after Tax	14,156	30,668	25,243	25,243	18,780
Equity share capital	4,106	4,106	4,166	4,166	4,430
Reserves & Surplus	1,39,840	1,26,903	1,05,203	1,02,844	86,354
Less: OCI	2,698	2,931	2,359	Nil	Nil
Net worth	1,41,248	1,28,078	1,07,010	1,07,010	90,784

- (1) Total Income including other income and exceptional items
- (2) Total Expenses excluding finance cost and depreciation and amortization expense
- (3) The figures for the year ended on March 31st 2017, March 31st 2016 and for the period ending on September 30 2017 are in accordance with companies (Indian Accounting Standard) Rules,2015 (Ind AS)
- (4) The figures for the year ended on March 31st 2016 and March 31st 2015 are in accordance with Accounting Standards notified under Companies (Accounting Standards) Rule 2006 (as amended) and other relevant provision of the act (I Gaap)

15.2. Based on audited consolidated financial statements

The financial information for last three audited consolidated financial years is stated below:

Particulars	For the year ended March 31, 2017 ⁽³⁾	For the year ended March 31, 2016 ⁽³⁾	For the year ended March 31, 2016 ⁽⁴⁾	For the year ended March 31, 2015 ⁽⁴⁾
	Audited	Audited	Audited	Audited
	Ind AS	Ind AS	I Gaap	I Gaap
Months	12	12	12	12
Total Income ⁽¹⁾	3,16,542	3,01,253	2,78,556	291,697
Total Expenses ⁽²⁾	2,50,996	2,43,432	2,20,736	244,227
Finance Cost	11,734	11,698	11,697	13,797
- Interest on NCD's	2350	2350	2350	1564
- Other Interest Expenses	8740	8486	8486	10932
- Other Borrowing Costs	644	862	862	1301
Depreciation and amortization expense	12,252	9,850	9,850	8,198
Profit/(Loss) before Tax	41,560	36,273	36,273	25,475
Provision for Tax (including Deferred Tax)	8,806	9,463	9,463	6,103
Profit/(Loss) after Tax ⁽⁵⁾	31,578	25,688	25,688	20,588
Equity share capital	4,106	4,166	4,166	4,430
Reserves & Surplus	1,32,141	1,09,564	107,275	97,211

Less: OCI	28,62	2,289	Nil	Nil
Net worth	1,33,385	111441	1,11,441	1,01,641

- (1) Total Income including other income and exceptional items
- (2) Total Expenses excluding finance cost and depreciation and amortization expense
- (3) The figures for the year ended on March 31st 2017, March 31st 2016 and for the period ending on September 30 2017 are in accordance with companies (Indian Accounting Standard) Rules,2015 (Ind AS)
- (4) The figures for the year ended on March 31st 2016 and March 31st 2015 are in accordance with Accounting Standards notified under Companies (Accounting Standards) Rule 2006 (as amended) and other relevant provision of the act (I Gaap)
- (5) Profit after tax figures are excluding profit attributable to Non-Controlling Interest

15.3. Key Financial Ratios

(a) Based on audited standalone financial statements

Particulars	For the period ended on September 30, 2017 ⁽³⁾	For the year ended March 31, 2017 ⁽³⁾	For the year ended March 31, 2016 ⁽³⁾	For the year ended March 31, 2016 ⁽⁴⁾	For the year ended March 31, 2015 ⁽⁴⁾
	Audited	Audited	Audited	Audited	Audited
	Ind AS	Ind AS	Ind AS	I Gaap	I Gaap
Months	6	12	12	12	12
Earnings Per Share (Rs.) (Basic)	17.24	37.35	30.30	30.30	21.20
Earnings Per Share (Rs.) (Diluted)	17.24	37.35	30.30	30.30	21.20
Return on Net Worth (%)	10.02%	23.94%	23.59%	23.59%	20.69%
Book Value Per Share (Rs.)	172	155.96	128.43	128.43	102.47
Debt-Equity Ratio	1.31	1.21	1.19	1.19	1.32

(b) Based on audited consolidated financial statements

Particulars	For the year ended March 31, 2017 ⁽³⁾	For the year ended March 31, 2016 ⁽³⁾	For the year ended March 31, 2016 ⁽⁴⁾	For the year ended March 31, 2015 ⁽⁴⁾
	Audited	Audited	Audited	Audited
	Ind AS	Ind AS	I Gaap	I Gaap
Months	12	12	12	12
Earnings Per Share (Rs.) (Basic)	38.45	30.83	30.83	23.24
Earnings Per Share (Rs.) (Diluted)	38.45	30.83	30.83	23.24
Return on Net Worth (%)	23.67%	23.05%	23.05%	20.26%
Book Value Per Share (Rs.)	162.43	133.75	133.75	114.73
Debt-Equity Ratio	1.17	1.16	1.16	1.18

Note:

- (1) Net worth - Equity Share Capital + Reserves and Surplus - OCI
- (2) Earning Per Shares - Net Profit / (Loss) after Tax Attributable to Equity Share holders / Weighted Number of Equity Shares outstanding
- (3) Book Value - Net worth / Number of Equity Shares
- (4) Debt-Equity Ratio - Debt / Equity (Equity Share Capital + Reserves and Surplus - OCI)
- (5) Return on Net Worth (%) - Net Profit / (Loss) after Tax / Net worth

15.4. The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable.

16. STOCK MARKET DATA

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

16.2. The high, low and average market prices in preceding three financial years (April to March) and the monthly high, low and average market prices for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) are as follows:

Period	HIGH			LOW			Average Price ⁽³⁾ (Rs.)	Total Volume Traded in the period (No. of shares)
	High Price ⁽¹⁾ (Rs.)	Date of High Price	No. of shares traded on that date	Low Price ⁽²⁾ (Rs.)	Date of Low Price	No. of shares traded on that date		
PRECEDING 3 YEARS								
FY 2017	817.60	7-Feb-17	37,988	481.05	24-Jun-16	21,364	641.57	17,991,758
FY 2016	587.00	7-Oct-15	2,16,199	293.55	28-Apr-15	58,459	432.91	1,73,82,235
FY 2015	377.40	18-Mar-15	3,09,582	119.75	17-Apr-14	62,420	248.66	2,52,36,690
PRECEDING SIX COMPLETED CALENDAR MONTHS								
November, 2017	960.00	1-Nov-17	32,011	875.50	10-Nov-17	45,609	907.45	5,99,393
October, 2017	959.95	31-Oct-17	53,840	865.00	9-Oct-17	37,182	898.08	7,95,873
September, 2017	944.90	22-Sep-17	1,98,622	835.00	06-Sep-17	64,549	865.96	10,61,369
August, 2017	986.05	01-Aug-17	26,410	821.05	29-Aug-17	48,177	883.81	7,18,110
July, 2017	999.00	27-Jul-17	49,755	898.75	03-Jul-17	51,690	963.48	8,33,585
June, 2017	1039.70	15-Jun-17	5,92,602	859.70	12-Jun-17	54,364	906.14	21,47,619

Source: www.nseindia.com

Note:

⁽¹⁾ High of daily high prices.

⁽²⁾ Low of daily low prices.

⁽³⁾ Average of the daily closing price

16.3. The closing market price of the Equity Shares on BSE and NSE on December 20, 2017 being the Working Day previous to the day on which the Board approved the proposal for Buyback, was Rs. 1,019.15 and Rs. 1,019.60 respectively. The closing market price of the Equity Shares as on the date of the Board Meeting was Rs. 1,046.40 on the BSE and Rs. 1,042.95 on the NSE. The closing market price of the Equity Shares as on the date of intimation of the Board Meeting for considering the Buyback, being December 18, 2017, was Rs. 975.65 on the BSE and Rs. 973.75 on the NSE.

17. DETAILS OF THE STATUTORY APPROVALS

17.1. The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.

- 17.2. Non-Resident Shareholders (excluding OCBs) permitted under Notification FEMA 20(R)/ 2017-RB, dated November 7, 2017, read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI, subject to the adherence to pricing guidelines, documentation and reporting requirements for such transfers as specified by RBI.
- 17.3. Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 17.4. Registered Foreign Portfolio Investor including QFIs (RFPI) are permitted under the Foreign Portfolio Investor Scheme (FPI) to sell their duly acquired shares through buyback of shares by a listed Indian company in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998..
- 17.5. As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, 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 AND COLLECTION CENTRE

18.1. REGISTRAR TO THE BUYBACK



Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai 400 083,
Maharashtra, India.

Tel. No.: +91-22- 4918 6200; **Fax:** +91-22-4918 6195

Contact person: Mr. Sumeet Deshpande;

Email: aartiind.buyback2017@linkintime.co.in **Website:** www.linkintime.co.in;

SEBI Registration Number: INR000004058; **CIN:** U67190MH1999PTC118368

18.2. COLLECTION CENTRE

Eligible Sellers are requested to submit their Tender Form(s) and requisite documents either by registered post / courier to the Registrar to the Buyback, superscribing the envelope as “**Aarti Industries Limited - Buyback Offer**”, or hand deliver the same to the Registrar to the Buyback at the address abovementioned.

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

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1. The Company proposes to Buyback up to 8,20,383 fully paid-up equity shares of face value of Rs. 5/- (Rupees Five Only) each of the Company (“**Equity Shares**”) representing up to 1% of the total number of equity shares of the Company at a price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share (“**Buyback Price**”) (including premium of Rs. 1,195/-) per Equity Share payable in cash for an aggregate amount of up to Rs. 98,44,59,600/- (Rupees Ninety Eight Crore Forty Four Lakhs Fifty Nine Thousand Six Hundred Only) (excluding transaction costs such as brokerage, securities transaction tax, goods and service tax, stamp duty, etc.). The Buyback is in accordance with the provisions of Section 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Article 61 of the Articles of Association of the Company and subject to Regulation 4(1)(a) and other applicable provisions contained in the Buyback Regulations and such other approvals, permissions and sanctions as may be required, from time to time from statutory authorities and/ or regulatory authorities. The Buyback Size is

8.36% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the standalone audited balance sheet of the Company for the financial year ended March 31, 2017 on a proportionate basis through the tender offer.

19.2. The aggregate shareholding of the Promoter and Persons in Control as on the date of the Draft Letter of Offer is 4,40,41,297 Equity Shares which represents 53.63% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender offer, the Promoter and Persons in Control of the Company have an option to participate in the Buyback. In this regard, the Promoter and Persons in Control have expressed their intention vide their letters dated December 21, 2017 to participate in the Buyback and tender up to an aggregate maximum number of 3,06,64,976 Equity Shares.

19.3. Assuming response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post the Buyback will be [●] number of Equity Shares representing [●]% of paid-up equity share capital of the Company, post the Buyback.

19.4. **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**

- (i) The Board at its meeting held on December 21, 2017 announced Friday, January 5, 2018 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buyback.
 - (ii) The Equity Shares to be bought back as a part of this Buyback are divided into two categories:
 - (a) Reserved category for Small Shareholders (“**Reserved Category**”); and
 - (b) General category for Eligible Sellers other than the Small Shareholders (“**General Category**”).
 - (iii) As defined in the Buyback Regulations, Small Shareholder includes a shareholder, who holds Equity Shares of the Company, as on the Record Date, whose market value, on the basis of closing price on the Recognized Stock Exchange registering the highest trading volume, as on Record Date, is not more than Rs. 2,00,000/- (Rupees Two Lakh Only). As on the Record Date, the closing price on [●], being the stock exchange registering the highest trading volume, was Rs. [●]/-. Accordingly, all Equity Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as “Small Shareholders” for the purpose of the Buyback.
 - (iv) Based on the above definition, there are [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on the Record Date, which constitutes [●]% of the total number of Equity Shares of the Company and [●]% of the maximum number of Equity Shares which the Company proposes to buyback as a part of this Buyback.
 - (v) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be higher of:
 - (a) 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 8,20,383 (Eight Lakhs Twenty Thousand Three Hundred and Eighty Three) Equity Shares which works out to 1,23,058 (One Lakh Twenty Three Thousand and Fifty Eight) Equity Shares; or
 - (b) The number of Equity Shares entitled as per their shareholding as on Record Date i.e. Friday, January 5, 2018, which works out to be [●] Equity Shares.
- (1) All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter and Persons in Control also intend to offer Equity Shares held by them in the Buyback.

(2) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 1,23,058 Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.

(vi) Based on the above Buyback Entitlement, the ratio of Buyback for both categories is decided as below:

Category of Shareholders	Ratio of Buyback
Reserved category for Small Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date.
General category Eligible Sellers other than Small Shareholders	[●] Equity Shares out of every [●] Equity Shares held on the Record Date.

19.5. Fractional Entitlements:

If the Buyback Entitlement under the 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 Buyback Entitlement to tender Equity Shares in the Buyback for both categories of Eligible Sellers.

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

19.6. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:

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

- (i) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the acceptance as described in paragraph 19.6 (i) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and 1 (one) share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (iii) Post the acceptance as described in paragraph 19.6 (i) and 19.6 (ii) above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buyback Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6 (ii) above, shall be reduced by 1 (one).
- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.6 (iii) above:

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

19.7. Basis of Acceptance of Shares validly tendered in the General Category:

Subject to the provisions contained in the DLOF, the Company will accept the Equity Shares tendered in the Buyback by Eligible Sellers other than Small Shareholders in the General Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Eligible Sellers other than Small Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.7 (i) above, in case there are any Equity Shares left to be bought back in the General Category, then the Additional Equity Shares tendered by the other Eligible Sellers over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Sellers divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- (iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.7 (i) and (ii) above:
 - (a) For any Eligible Seller, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Eligible Seller if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.8. Basis of Acceptance of Equity Shares between Categories

- (i) In case there are any Equity Shares left to be bought back in one category (“**Partially filled Category**”) after acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be accepted proportionately, i.e. valid acceptances per Eligible Seller shall be equal to the Additional outstanding Equity Shares validly tendered by an Eligible Seller in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially filled Category.
- (ii) If the Partially filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6 (ii) shall be reduced by 1 (one).
- (iii) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.8 (i) and (ii) above:

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

19.9. For avoidance of doubt, it is clarified that:

- (i) The Equity Shares accepted under the Buyback from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Seller;
- (ii) The Equity Shares accepted under the Buyback from each Eligible Seller, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Seller as on the Record Date; and
- (iii) The Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.
- (iv) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Board or any person(s) authorized by the Board will have the authority to decide such final allocation with respect to such acceptance or 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 this paragraph.

20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT

- 20.1. The Buyback is open to all Eligible Sellers of the Company, holding Equity Shares either in physical and/ or electronic form on the Record Date.
- 20.2. The Company proposes to effect the Buyback through a Tender Offer method, on a proportionate basis. The Letter of Offer, Tender Form and SH-4 (SH-4 only to those Eligible Sellers holding Equity Shares in physical form), will be dispatched (through e-mail on the ID registered with Company and/or physical mode) to all the Eligible Sellers.
- 20.3. The Company will not accept any Equity Shares offered for Buyback 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.
- 20.4. The Company shall comply with Regulation 19(5) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- 20.5. The Company shall accept Equity Shares offered by the duly authorised persons on behalf of Eligible Sellers including executor / trustee of the trust, partner of the firm, karta of the HUF, constituted attorney, subject to receipt of relevant documents, as required by the Registrar.
- 20.6. Eligible Sellers 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 Sellers are required to tender the applications separately from each demat account, to the special account of Clearing Corporation of India Limited (“Clearing Corporation”).

- 20.7. Shareholders' participation in Buyback will be voluntary. The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also accept a part of their Buyback Entitlement. Shareholders also have the option of tendering additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in this Draft Letter of Offer.
- 20.8. The maximum tender under the Buyback by any Shareholder cannot exceed the number of Equity Shares held by the Shareholder as on the Record Date.
- 20.9. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Sellers, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Sellers will be accepted as per paragraph 19.6, 19.7, 19.8, 19.9 and 20.8.
- 20.10. As elaborated under paragraph 19.4 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 Eligible Sellers other than Small Shareholders and the Buyback Entitlement of an Eligible Seller in each category shall be calculated accordingly.
- 20.11. After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Sellers in that category, and thereafter, from Eligible Sellers who have tendered over and above their Buyback Entitlement, in other category.
- 20.12. The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 including any amendment thereto and following the procedure prescribed in the Act and the Buyback Regulations, and as may be determined by the Board (including any person authorized by the Board to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.13. For implementation of the Buyback, the Company has appointed Ghalla Bhansali Stock Brokers Private Limited as the registered broker to the Company ("**Company's Broker**") through whom the purchases and settlement on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:
- Name:** Ghalla Bhansali Stock Brokers Private Limited
Address: Devansh, 133 D.S.P Road, Dadar (East), Mumbai – 400 014;
Tel. No.: +91 22 4049 7000 /200/ 2414 7000 /2415 7000;
Contact Person: Ms. Jyoti R. Poojari; **Tel. No.:** +91 22 4049 7121;
Email: jyotis@ghallabhansali.com; **Website:** www.ghallabhansali.com;
SEBI Registration Number: NSE – CM –INB230957033; BSE – CM – INB010957034
Corporate Identity Number: U67120MH1996PTC100233.
- 20.14. The Acquisition Window will be provided by the BSE to facilitate placing of sell orders by Eligible Sellers who wish to tender Equity Shares in the Buyback. The details of the platform will be specified by BSE from time to time.

- 20.15. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker.
- 20.16. In the event Seller Member(s) are not registered with BSE then that Eligible Seller can approach any BSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with the SEBI regulations. In case Eligible Seller is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Seller may approach Company's Broker viz. Ghalla Bhansali Stock Brokers Private Limited, to bid by using quick UCC facility. The Eligible Seller approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case of Eligible Seller being an individual

If Eligible Seller is registered with KYC Registration Agency ("KRA"):

Forms required:

- Central Know Your Client (CKYC) form
- 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 Seller is not registered with KRA:

Forms required:

- CKYC form
- KRA form
- KYC form

Documents required (all documents self-attested):

- PAN card copy
- Address proof – Aadhaar card mandatory
- 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 Seller is HUF:

If Eligible Seller is registered with KYC Registration Agency ("KRA"):

Forms required:

- Central Know Your Client (CKYC) form of KARTA
- 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 Seller is not registered with KRA:

Forms required:

- CKYC form of KARTA
- KRA form
- Know Your Client (KYC) form

Documents required (all documents self-attested):

- PAN card copy of HUF & KARTA
- Address proof of HUF & KARTA - – Aadhaar card mandatory
- 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 Seller other than Individual and HUF:

If Eligible Seller 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 Seller 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 – Aadhaar card mandatory
- 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

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.

- 20.17. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Sellers through their respective stock brokers during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Eligible Sellers. The stock brokers ("Seller Member(s)") can enter orders for demat shares as well as physical shares.
- 20.18. Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the Tendering Period of the Buyback. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of Acceptance.
- 20.19. The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.
- 20.20. All documents sent by the Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.
- 20.21. **Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialised form**
- (i) Eligible Sellers who desire to tender their Equity Shares in the electronic/dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.
 - (ii) The Seller Member would be required to place an order/bid on behalf of the Eligible Sellers who wish to tender their Equity Shares in the Buyback using the Acquisition Window of the BSE. Before placing the bid, the concerned Seller Member would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation, by using the early pay-in mechanism as prescribed by the designated stock exchange or the Clearing Corporation prior to placing the bid by the Seller Member. This shall be validated at the time of order/bid entry.
 - (iii) The details of the special account and the settlement number of Clearing Corporation shall be informed in issue opening circular that will be issued by BSE and/or Clearing Corporation.
 - (iv) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than 6.00 p.m. on the last day of the tendering period. However, bids shall be accepted only up to 3.30 p.m. 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.
 - (v) Upon placing the order, the Seller Member shall provide transaction registration slip ("**TRS**") generated by the stock exchange bidding system to the Eligible Seller. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered, etc.
 - (vi) Eligible Sellers who have tendered their Equity Shares in the Buyback can 'hand deliver' Tender Form duly signed (by all Eligible Sellers in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the head-office (mentioned in paragraph 18 of this Draft Letter of Offer) of Registrar to the Buyback. TRS will be generated by the respective Seller Members. Eligible Sellers who cannot hand deliver the Tender Form and other documents at the office of Registrar to the Buyback, may send the same by registered post / speed post, at their own risk, superscribing the envelope as "**Aarti Industries Limited - Buyback Offer**", to the Registrar to the Buyback at their office mentioned on the cover page of this DLOF, so that the same are received not later than 2 (two) days from the Buyback Closing Date (by 5 PM). One copy of TRS will be retained by the Registrar and it will provide acknowledgment of the same to the Seller Member/Eligible Seller.

- (vii) All Eligible Sellers 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):
 - (a) Duly attested power of attorney, if any person other than the Eligible Seller has signed the Tender Form;
 - (b) Duly attested death certificate and succession certificate / legal heirship certificate, in case any Eligible Seller has expired; and
 - (c) In case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).
- (viii) In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the clearing corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Equity Shareholders.
- (ix) The Eligible Sellers 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.

20.22. Procedure to be followed by Registered Eligible Sellers holding Equity Shares in physical form

- (i) Eligible Sellers who are holding Equity Shares in physical form and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the
 - a) original share certificate(s);
 - b) valid Form SH 4 duly filled and signed by the Eligible Seller (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company;
 - c) self-attested copy of the Eligible Seller's PAN Card;
 - d) 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; and
 - e) In addition, if the address of the Eligible Seller has undergone a change from the address registered in the Register of Members of the Company, the Eligible Sellers would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- (ii) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Sellers holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- (iii) The Seller Member/ Eligible Seller has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned on the cover page of this DLOF or the collection centre of the Registrar details of which will be included in this Draft Letter of Offer) within 2 (two) days of bidding by Seller Member. The envelope should be superscribed as "**Aarti Industries Limited - Buyback Offer**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/ Eligible Seller.
- (iv) Eligible Sellers holding Equity Shares in physical form should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity

Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as “unconfirmed physical bids”. Once, Registrar confirms the bids it will be treated as “Confirmed Bids”.

- (v) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Company and Registrar shall have the right to reject such Equity Shares tendered. The Equity Shares shall be liable for rejection on the following grounds amongst others: (a) If there is any other company’s equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (b) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (c) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (d) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar.
- (vi) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date.

20.23. For Equity Shares held by Eligible Sellers, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 “Details of the Statutory Approvals”):

- (i) Eligible Sellers, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (ii) In case the Equity Shares are held on repatriation basis, the Eligible Sellers who are Non-Resident Shareholders shall obtain and enclose a letter from its authorized dealer / bank confirming that at the time of acquiring the Equity Shares, payment for the same was made by such non-resident Eligible Seller from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Sellers who are Non-Resident Shareholders 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 Eligible 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. In the event, such consent letter is not submitted by such non-resident Eligible Seller, the Company shall have the right to reject the Equity Shares tendered in the Buyback and acceptance of such Equity Shares shall be at the sole discretion of the Company subject to such conditions as the Company may deem fit including making payment for the same on a non-repatriation basis.

20.24. In case of non-receipt of the Letter of Offer:

- (i) **In case the Equity Shares are in dematerialised form:** An Eligible Seller may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. www.aarti-industries.com or by providing their application in writing on plain paper, signed by Eligible Seller or all Eligible Sellers (in case Equity Shares are in joint name), stating name and address of Eligible Sellers, 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.
- (ii) **In case the Equity Shares are in physical form:** An Eligible Seller may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. www.aarti-industries.com providing their application in writing on plain paper signed by Eligible Seller or all Eligible Sellers (in case Equity Shares are in joint name) 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, bank account details together with the original share certificate(s), copy of Eligible Sellers PAN card(s) and executed Form SH-4 in favour of the Company. The transfer Form SH-4 can be downloaded from the Company’s website www.aarti-industries.com. Eligible Sellers must ensure that the Tender Form, along with the TRS and requisite documents

(as mentioned in paragraph 20.16 (i) above), reach the collection centres not later than 2 (two) days from the Buyback Closing Date (by 5 PM). If the signature(s) of the Eligible Sellers provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar / Company or are not in the same order (although attested), the Company / Registrar shall have a right to reject such applications.

Please note that Eligible Seller(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 in the electronic platform to be made available by BSE before the Buyback Closing Date.

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

- 20.25. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to, any Eligible Seller, shall not invalidate the Buyback in any way.
- 20.26. The acceptance of the Buyback made by the Company is entirely at the discretion of the Eligible Sellers of the Company. The Company does not accept any responsibility for the decision of any Eligible Seller 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 Sellers are advised to adequately safeguard their interest in this regard.
- 20.27. **Method of Settlement**

Upon finalization of the basis of acceptance as per Buyback Regulations and in terms of this DLOF:

- (i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- (ii) The Equity Shares bought back in the demat form would be transferred directly to the demat account of the Company opened for Buyback (“**Special Demat Account**”) provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
- (iii) The Eligible Sellers will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non – acceptance.
- (iv) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to the respective Seller Members by Clearing Corporation. If the securities transfer instruction is rejected in the the depository system, due to any issue, then such Equity Shares will be transferred to the Seller Member's pool account for onward transfer to the Eligible Seller. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Eligible Sellers Registrar through registered post/ speed post at the Eligible Sellers sole risk to the sole / first Equity Shareholder (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company. 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 Sellers holding Equity Shares in the physical form.

- (v) The Company will pay the consideration to the Clearing Corporation on or before the pay-in date for settlement. The settlements of fund obligation for dematerialized and physical Equity Shares shall be effected as per the SEBI circulars no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and 20170210-16 dated February 10, 2017 and as prescribed by Stock Exchange and Clearing Corporation from time to time. The Clearing Corporation would settle the trades by making direct funds payout to the Eligible Sellers holding Equity Shares in dematerialized form in Eligible Seller's bank account as provided by the depository system and Seller Member (on behalf of the Eligible Sellers holding Equity Shares in physical form), in their settlement bank account and the Seller Member would issue contract note. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers.
- (vi) The Clearing Corporation would settle the trades by making direct funds payout to the Eligible Sellers and the Seller Member would issue contract note. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers
- 20.28. Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Members for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Eligible Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Securities Transaction Tax would be deducted from respective Eligible Sellers funds payout. The Buyback consideration received by the Eligible Sellers from their respective Seller Members, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and the Manager to the Buyback accepts no responsibility to bear or pay such additional cost, applicable taxes, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.
- 20.29. The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

21. NOTE ON TAXATION

THE TAX CONSIDERATIONS GIVEN HEREUNDER 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. FURTHER, 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 IMPLICATION SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

I. GENERAL

- A) The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 following March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (“the Income Tax Act”).
- B) A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India 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 such 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 Aarti Industries Limited 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 would be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- C) The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback 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 buyback of equity shares listed on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

II. 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

B) Non Resident Shareholders being:

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

III. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

- A) Shares held as investment (Income from transfer of shares taxable under the head “Capital Gains”)
- B) Shares held as stock-in-trade (Income from transfer of shares 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). Traditionally, the issue of characterisation of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements as to whether gains from transactions in securities should be taxed as “business income” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Recently, the apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising

from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months and if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by the Tax Officer.

Further, investments by Foreign Institutional Investor 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 buyback 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 computation provisions contained in section 48 of the Income Tax Act. The provisions relating to tax on distributed income of domestic company for buyback 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 listed equity shares held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a ‘short-term capital asset’, and the gains arising therefrom shall be taxable as ‘short term capital gains (“STCG”)
- Similarly, where listed equity shares are held for a period 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. Taxability on Buyback of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buyback) is transacted through a recognized stock exchange then the taxability will be as under (for all categories of shareholders):

- LTCG arising from such transaction would be exempt under section 10(38) of the Income Tax Act; and up to March 31, 2017 subject to fulfillment of certain conditions which mainly included that such sale transaction is chargeable to securities transaction tax. In case of Buyback herein, securities transaction tax is chargeable and accordingly the LTCG arising on tendering of shares under Buyback were exempt till March 31, 2017. With effect from April 1, 2017, a third proviso has been inserted in section 10(38) vide Finance Act, 2017 which additionally requires that the exemption u/s. 10(38) on sale of equity shares would be available if acquisition of such equity shares were chargeable to securities transaction tax in cases of acquisition of equity shares on or after October 1, 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 certain transactions of acquisition of equity shares 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 Buyback falls under the exemption u/s. 10(38) or otherwise, In case, LTCG arising from tendering of equity shares under the Buyback 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; and
- STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act. In addition to STCG tax, Surcharge, Education Cess and Secondary and

Higher Education Cess are leviable (Please refer to paragraph V below for rate of surcharge and cess).

- iv. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax would be 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. V. below for rate of surcharge and cess).
- v. Further in case of Eligible Sellers being companies as defined under the Income Tax Act, the tax provisions of minimum alternate tax on book profits as provided under section 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 double taxation avoidance agreement (“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.
- vii. As an overall point, since the buyback is undertaken on the stock exchange, such transaction is chargeable 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 Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security transacted.

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, as applicable.
- b) For persons other than stated in a) 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 double taxation avoidance agreement (‘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 . V. below for rate of surcharge and cess).

IV. 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 said Buyback.

B) In case of Non-resident Shareholders

Since the buy-back is through the stock exchange, subject to Section 195 and Section 204, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore important for the non-resident shareholders to 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.

V. 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 foreign companies, surcharge is levied @ 2% on the amount of income tax if total income exceeds Rs. 1 crore but does not exceeds Rs.10 crores and @ 5% on the amount of income tax if the total income exceeds Rs.10 crores.
- In case of other non-resident assesses (i.e. other than foreign companies), surcharge is levied @ 10% for non- resident individual/ HUF is levied where the total income exceeds Rs. 50 lakhs and 15% for non-resident individual/HUF (@ 12% in case of others) is levied where the total income exceeds Rs.1 Crore.
- In case of domestic companies, Surcharge is levied @ 7% where the total income exceeds Rs. 1 crore but does not exceeds Rs.10 crores and @ 12% is levied where total income exceeds Rs.10 crores.
- In case of resident assesses (i.e. other than domestic companies), surcharge is levied @ 10% for individuals/HUF/AOP/BOI having total income exceeds Rs. 50 lakhs and @ 15% for individuals/HUF/AOP/BOI and @ 12% in case of firm/local authority/co-operative society where the total income exceeds Rs. 1 crore.

B) Cess

Education Cess @ 2% and Secondary and Higher Education Cess @ 1% will be levied on the amount of income tax plus surcharge.

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 Buyback. 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, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

22. DECLARATION BY THE BOARD OF DIRECTORS

The Board of Directors made declaration as on the date of passing the board resolution approving the Buyback i.e. December 21, 2017 as required under clause (ix) and clause (x) of Part A of Schedule II to the Buyback Regulation. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, in terms of resolutions dated December 21, 2017, the Buyback Committee has confirmed on behalf of Board of Directors that :

1. 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.
2. It has, based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act formed an opinion that:
 - (a) immediately following the date of the Draft Letter of Offer, there will be no grounds on which the Company could be found unable to pay its debts;
 - (b) as regards the Company's prospects for the year immediately following the date of Draft Letter of Offer, that, having regard to their intention with respect to the management of Company's business during the said year and to the amount and character of the financial resources, which will 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 that date.

This declaration has been made and issued by the Buyback Committee under the authority of the Board in terms of the resolution passed at the meeting held on December 21, 2017.

For and on behalf of the Board of Directors of Aarti Industries Limited

Sd/-

Rashesh Chandrakant Gogri
Vice Chairman and Managing Director
(DIN: 00066291)

Sd/-

Hetal Gogri Gala
Whole Time Director
(DIN:00005499)

23. AUDITORS CERTIFICATE

The text of the report dated December 21, 2017 received from Kirtane & Pandit LLP, Chartered Accountants, the statutory auditors of the Company addressed to the Board of Directors of the Company is reproduced below.

Quote

“To,
The Board of Directors,
Aarti Industries Limited
71, Udyog Kshetra, 2nd Floor,
Mulund-Goregaon Link Road,
L.B.S. Marg, Mulund (West),
Mumbai, Maharashtra – 400 080

Dear Sir,

Sub. : Statutory Auditor’s Report in respect of proposed buyback of equity shares by Aarti Industries Limited (‘the Company’) in terms of Clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (as amended).

The Buy-back of **Aarti Industries Limited** (“the Company”) has been approved by the Board of Directors of the Company at their meeting held on 21st December, 2017 under section 68, 69 and 70 of Companies Act, 2013 at a price of Rs.1,200 per Equity Share. In this regard, we report that:

- (a) We have inquired into the state of affairs of the Company with reference to its audited standalone financial statements for the year ended March 31, 2017 as adopted by the Board of Directors of the Company at its meeting held on 19th May, 2017, which have been audited by previous auditor M/s Gokhale & Sathe, Chartered accountants.
- (b) The Board of Directors have proposed to buy-back the Company’s equity shares of 8,20,383 equity shares of Rs. 5/- each at a premium of Rs.1,195 aggregating to Rs.1,200. The capital payment (including premium) of an amount not exceeding Rs.98,44,59,600 towards the Buy-back of equity shares, as approved by the Board of Directors, has been determined in accordance with section 68 (2) of the Companies Act, 2013 and is within the permissible amount of 10% of the paid-up equity capital and free reserves of the Company, as extracted from the audited standalone financial statements of the Company for the year ended March 31, 2017. The same has been computed as under:

(Rs. in Lakhs)	
Particulars	As at March 31, 2017
Equity Share Capital- Subscribed and Paid-up	4,106
Free Reserves	
- Securities Premium Account	NIL
- General Reserve	12,568
- Surplus in Statement of Profit and Loss	1,01,147
TOTAL	1,17,821
Maximum amount permissible for the Buy-back i.e. 10% of total paid up equity capital and free reserves	11,782
Amount approved by the Board of Directors for buy-back in the meeting held on 21st December, 2017	9,844.60

- (c) Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, the Board of Directors at their meeting held on 21st December, 2017 have formed their opinion as specified in clause (x) of Part A of Schedule II of the Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (as amended from time to time), on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing of resolution by the Board of Directors of the Company in case of Buy-back of up to 10% of its paid up equity capital and free reserves of the Company under proviso to section 68(2) of the Companies Act, 2013.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No: -105215W/W100057

Sd/-

Milind Bhave
Partner
M. No.:047973
Place: Mumbai
Date: December 21, 2017

24. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company at Plot Nos. 801, 801/23, GIDC Estate, Phase III, Vapi -396 195, Dist. Valsad, Gujarat between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the Offer Period:

- (i) Certificate of Incorporation of the Company.
- (ii) Memorandum and Articles of Association of the Company.
- (iii) Annual reports of the Company for the preceding three financial years viz. March 31, 2017, 2016 and 2015 and audited financial results approved by the Board for the half year ended September 30, 2017 as filed with the Stock Exchanges.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on December 21, 2017 approving the proposal of the Buyback.
- (v) Certificate dated December 21, 2017 received from Kirtane & Pandit LLP, Chartered Accountants, the statutory auditors of the Company, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations.
- (vi) Copy of Public Announcement dated December 22, 2017 published in the newspapers on December 25, 2017 regarding Buyback.
- (vii) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (viii) Certificate dated December 21, 2017 issued by Mr. Milind Bhave (Membership No.:047973), Partner of Kirtane & Pandit LLP, Chartered Accountants (ICAI Firm Registration No.: 105215W/W100057) certifying that the Company has made firm financial arrangements for fulfilling its obligations under the Buyback, in accordance with the Buyback Regulations.
- (ix) Copy of the Escrow Agreement dated [●] executed amongst the Company, Escrow Agent and the Manager to the Buyback.
- (x) SEBI comments received on DLOF vide letter dated [●] issued in terms of the Buyback Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

Investors may contact the Compliance Officer of the Company for any clarifications or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Mr. Raj Sarraf

Company Secretary & Compliance Officer

71, Udyog Kshetra, 2nd Floor, Mulund – Goregaon Link Road,

L.B.S. Marg, Mulund (West), Mumbai - 400 080

Tel. No.: +91 22 6797 6666; Fax: +91 22 2565 3185/3234

Email: investorrelations@aarti-industries.com;

Website: www.aarti-industries.com

26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SELLERS

- (i) In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Sellers can approach the Manager to the Buyback and/ or Registrar to the Buyback and/ or Compliance Officer of the Company for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68 of the Companies Act, 2013 or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, 2013, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, 2013, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies, Gujarat, Ahmedabad

ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any queries, Equity Shareholders may also contact the Registrar to the Buyback, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Registrar to the Buyback

Link Intime India Private Limited

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

Vikhroli (West), Mumbai 400 083,

Maharashtra, India.

Tel. No.: +91-22- 4918 6200; **Fax:** +91-22-4918 6195

Contact person: Mr. Sumeet Deshpande;

Email: aartiind.buyback2017@linkintime.co.in **Website:** www.linkintime.co.in;

SEBI Registration Number: INR000004058; **CIN:** U67190MH1999PTC118368

28. MANAGER TO THE BUYBACK



Inga Capital Limited

(Formerly known as Inga Capital Private Limited)

Naman Midtown, 21st Floor, 'A' Wing,
Senapati Bapat Marg, Elphinstone (West),
Mumbai 400 013, Maharashtra;
Tel. No.: +91 22 4031 3483; **Fax No.:** +91 22 4031 3379;
Contact Person: Ms. Kavita Shah;
Email: aarti.buyback@ingacapital.com;
Website: www.ingacapital.com;
SEBI Registration No: INM000010924*;
CIN: U74140MH1999PTC122493.

**In process of applying to SEBI for change of name.*

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

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Draft Letter of Offer. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on December 21, 2017.

For and on behalf of the Board of Directors of Aarti Industries Limited

Sd/-	Sd/-	Sd/-
Rashesh Chandrakant Gogri	Hetal Gogri Gala	Raj Sarraf
Vice Chairman and Managing Director	Whole Time Director	Company Secretary

Date: December 29, 2017

Place: Mumbai