



# GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED

Corporate Identity Number: L24110GJ1976PLC002903; Registered and Corporate Office: P. O. Narmadanagar, Baruch – 392 015, Gujarat, India;  
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## PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF GUJARAT NARMADA VALLEY FERTILIZERS AND CHEMICALS LIMITED ("THE COMPANY") IN CONNECTION WITH THE BUYBACK OF EQUITY SHARES THROUGH THE TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES), REGULATIONS, 2018, AS AMENDED.

This Public Announcement ("Public Announcement") is being made in relation to the Buy-back of fully paid-up Equity Shares of face value of ₹10/- (Rupee Ten only) each ("Equity Shares") by the Company through the tender offer route using the Stock Exchange Mechanism as specified in Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 dated February 16, 2023 with reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 issued by SEBI ("SEBI Master Circular") and pursuant to provisions of Regulation 7(i) read with Schedule I and Schedule II and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (including any statutory modification(s), amendment(s) or re-enactments from time to time) ("SEBI Buy-back Regulations"), from the existing Shareholders/beneficial owners of the Company.

**OFFER TO BUYBACK UP TO 84,78,100 (EIGHTY FOUR LAKHS SEVENTY EIGHT THOUSAND ONE HUNDRED) FULLY PAID-UP EQUITY SHARES OF GUJARAT NARMADA VALLEY FERTILIZERS AND CHEMICALS LIMITED OF FACE VALUE OF ₹ 10/- EACH (INDIAN RUPEES TEN ONLY) AT A PRICE OF ₹ 770 (INDIAN RUPEES SEVEN HUNDRED SEVENTY ONLY) ("BUYBACK OFFER PRICE") PER EQUITY SHARE, PAYABLE IN CASH, ON A PROPORTIONATE BASIS FROM ALL THE EQUITY SHAREHOLDERS' BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY THROUGH THE TENDER OFFER ROUTE USING STOCK EXCHANGE MECHANISM**

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to 2 (two) decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

### DETAILS OF THE BUYBACK OFFER AND BUYBACK PRICE

1. Pursuant to the resolution passed by the Board of Directors of the Company (the Board of Directors of the Company is hereinafter referred to as the "Board" or the "Board of Directors", which expression include any Committee constituted by the Board to exercise its powers) on November 08, 2023 ("Board Resolution"), the Company hereby announces the Buyback of not exceeding 84,78,100 (Eighty four lakhs seventy eight thousand one hundred) Equity Shares having face value of ₹ 10/- each (Indian Rupees Ten only) ("Equity Shares") (representing 5.46% of the total number of outstanding Equity Shares of the existing total paid-up equity capital of the Company as on March 31, 2023) from the equity shareholders/beneficial owners of Equity Shares of the Company as on November 24, 2023 (the "Record Date") for further details in relation to the Record Date, refer to Paragraph 12 of this Public Announcement, on a proportionate basis, through the "Tender Offer" process, in accordance with Article 30 of the Articles of Association ("AoA") of the Company, Sections 68, 69 and 70, and all other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof (the "Companies Act") and applicable Rules thereunder including the Companies (Share Capital and Debentures) Rules, 2014, as amended ("Share Capital Rules") and the Companies (Management and Administration) Rules, 2014, as amended ("Management Rules") and the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, to the extent applicable, the SEBI Buyback Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to the extent applicable ("Listing Regulations") and SEBI Circulars (as defined below) and subject to such other approvals, permissions, sanctions as may be necessary and subject to any modifications and conditions, as may be prescribed by the Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Ahmedabad ("ROC") and/or other appropriate authorities, which may be agreed to by the Board and/or any Committee thereof, at a price of ₹770/- (Indian Rupees Seven Hundred Seventy only) per Equity Share, payable in cash, for an aggregate consideration not exceeding ₹ 652,81,37,000/- (Indian Rupees Six Hundred Fifty Two Crores Eighty One Lakhs Thirty-seven Thousand only) excluding any expenses incurred or to be incurred for the Buyback viz., filing fees payable to the Securities and Exchange Board of India, brokerage, stock exchange's charges, costs, fees, turnover charges, taxes such as, buyback tax, securities transaction tax and goods and services tax (if any), stamp duty, Merchant banker fees, legal counsel fees, advisor's fees, publication expenses, printing and dispatch expenses and other incidental and related expenses and charges ("Transaction Costs") (such maximum amount hereinafter referred to as the "Buyback Offer Size"), on a proportionate basis, through the "tender offer" route as prescribed under the SEBI Buyback Regulations, from all of the equity shareholders of the Company who hold Equity Shares as of the Record Date (the process being referred hereinafter as the "Buyback").

1.2. The Buyback Offer Size represents 7.90% and 7.80% of the aggregate paid-up share capital and free reserves of the Company as per the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company as on March 31, 2023, respectively (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the statutory limit of 10% of the aggregate of the total paid-up equity share capital and free reserves of the Company, based on both audited standalone Financial Statements and audited consolidated Financial Statements of the Company as on March 31, 2023, respectively. Further, under the Companies Act and SEBI Buyback Regulations, the maximum number of Equity Shares that can be bought back in any financial year shall not exceed 25% of the total paid-up equity capital of the Company in that financial year. The Company proposes to Buyback not exceeding 84,78,100 (Eighty-four lakhs seventy-eight thousand one hundred) Equity Shares of the Company, representing 5.46% of the total number of Equity Shares of the existing total paid-up equity capital of the Company, which is within the aforesaid limit of 25%.

1.3. The Buyback is in accordance with Sections 68, 69 and 70 and all other applicable provisions, if any of the Companies Act, Article 30 of the Articles of Association of the Company and subject to the provisions of the SEBI Buyback Regulations, and such other approvals, permissions as may be required from time to time from the Stock Exchange and/or from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken using the "mechanism for acquisition of shares through stock exchange" as specified in Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 dated February 16, 2023 with reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 issued by SEBI ("SEBI Master Circular") and in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and read with the SEBI's circular no. CFD/DCR/2/CIR/P/2016/131 dated December 9, 2016, SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated October 13 2021 and SEBI Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 08, 2023 and such other circulars as may be applicable, including any amendments thereof (the "SEBI Circulars"). In this regard, the Company will request BSE Limited ("BSE") to provide a separate acquisition window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buy Back. For the purposes of the Buy Back, BSE is appointed as the designated stock exchange ("Designated Stock Exchange"). Once the Buy Back is concluded, all Equity Shares purchased by the Company in the Buy Back will be extinguished in terms of the SEBI Buy Back Regulations.

1.4. The Buyback Size is subject to receipt of approvals, permissions, exemptions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by statutory, regulatory or governmental authorities under applicable laws, including SEBI, BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (referred as the, "Stock Exchanges") where the Equity Shares of the Company are listed.

1.5. The Equity Shares of the Company are listed on BSE and NSE. The Buyback shall be undertaken on a proportionate basis from the holders of the Equity Shares of the Company as on the Record Date ("Eligible Shareholders") (except any shareholders/beneficial owners who may be specifically prohibited under the applicable laws by Appropriate Authorities) through the tender offer process prescribed under Regulation 4(iv)(a) of the SEBI Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI vide the SEBI Circulars. Please refer to paragraph 12 below for further details regarding the Record Date and shareholders' entitlement to tender the Equity Shares in the Buyback.

1.6. The Company confirms that as required under Section 68(2)(d) of the Companies Act and Regulation 4(ii) of SEBI Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company to the fully paid-up share capital and free reserves shall be less than 2:1 on Standalone and Consolidated basis after the proposed Buyback.

1.7. The Buyback will not result in any benefit to promoters or persons in control of the Company or any directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, 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 reduction in the equity share capital of the Company, post Buyback. Any change in voting rights of the promoters of the Company pursuant to completion of Buyback will not result in any change in control over the Company.

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

1.9. A copy of this Public Announcement is available on the Company's website www.gnfc.in, Manager to the Buy-back Offer's website i.e. www.sbicaps.com and is expected to be available on the website of SEBI (www.sebi.gov.in) and on the website of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com during the period of the Buyback.

### 2. OBJECTIVE/NECESSITY FOR THE BUYBACK

2.1. The Buyback is being proposed by the Company to return surplus funds to the equity shareholder/beneficial owner of the Equity Shares as on the record date ("Eligible Shareholders"), which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, efficient and cost-effective manner. Additionally, the Company's management strives to increase the Shareholders' value and the Buyback would result in the following benefits, amongst other things:

- The Buyback will improve financial ratios like earnings per share, return on capital employed, return on equity, by reduction in the equity base of the Company, thereby leading to long term increase in shareholders' value;
- The Buyback will help in achieving an optimal capital structure;
- The Buyback will help the Company to distribute surplus cash to its equity shareholders thereby, enhancing the overall return to equity shareholders;
- The Buyback, which is being implemented through the tender offer route as prescribed under the SEBI Buyback Regulations, would involve allocation of number of equity shares as per the entitlement of the shareholders or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the SEBI Buyback Regulations; and
- The Buyback gives an option to the Eligible Shareholders to either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment.

3. **MAXIMUM AMOUNT OF FUNDS REQUIRED FOR BUYBACK AND ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES AND SOURCES OF FUNDS FROM WHICH BUYBACK WILL BE FINANCED**

3.1. The maximum amount required under the Buyback will not exceed ₹652,81,37,000 (Indian Rupees Six Hundred Fifty-Two Crores Eighty-One Lakhs Thirty-seven Thousand only) excluding the Transaction Costs.

3.2. In accordance with the provisions of the Companies Act and the SEBI Buyback Regulations, the Buyback Size of ₹ 652,81,37,000 (Indian Rupees Six Hundred Fifty Two Crores Eighty One Lakhs Thirty-seven Thousand only) excluding Transaction Costs, represents 7.90% and 7.80% of the aggregate of the Company's paid-up capital and free reserves as per the audited standalone financial statements as on March 31, 2023 and audited consolidated Financial Statements of the Company as on March 31, 2023, respectively, and it does not exceed 10% of the aggregate of the fully paid-up share capital and free reserves of the Company as per the audited standalone Financial Statements as on March 31, 2023 and audited consolidated Financial Statements of the Company as on March 31, 2023, respectively.

3.3. The funds for the implementation of the proposed Buyback (including the Transaction Costs) will be sourced out of the free reserves of the Company and/or such other sources as may be permitted by law.

The funds borrowed from banks and financial institutions, if any, will not be used for the Buyback.

3.4. The Company shall transfer from its free reserves and/or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statement.

### 4. BUYBACK OFFER PRICE AND BASIS OF ARRIVING AT THE BUYBACK OFFER PRICE

4.1. The Equity Shares are proposed to be bought back at a price of ₹ 770/- (Indian Rupees Seven Hundred Seventy only) per Equity Share. The Buyback Offer Price has been arrived at after considering various factors including, but not limited to trends in the volume weighted average prices, closing prices of the Equity Shares traded on the Stock Exchange where the Equity Shares are listed, the net worth of the Company, impact on other financial ratios.

The Buyback Offer Price represents

- a. Premium of 27.53% and 27.53% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, during the three months preceding October 20, 2023, being the date one day prior to intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy Back ("Intimation Date")
- b. Premium of 19.64% and 19.59% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for two weeks preceding the Intimation Date.
- c. Premium of 16.99% and 17.78% over the closing price of the Equity Shares on BSE and NSE, respectively, as on the Intimation Date.
- d. Premium of 11.36% and 11.20% over the closing price of the Equity Shares on BSE and NSE, respectively, as on the Board Meeting i.e., November 08, 2023, when the Buyback was approved.

The closing market price of the Equity Shares on the date of Intimation Date was ₹ 658.15 and ₹ 657.10 and as on the Board Meeting Date was ₹ 691.45 and ₹ 692.40 on BSE and NSE, respectively.

\*Since Intimation was on Saturday, October 21, 2023, intimation date considered on i.e. Friday, October 20, 2023

### 5. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUYBACK

5.1. The Company proposes to Buy back up to 84,78,100 (Eighty-four lakhs seventy-eight thousand one hundred) Equity Shares, representing 5.46% of the total number of outstanding Equity Shares in the existing total paid-up equity capital of the Company as at March 31, 2023.

### 6. METHOD TO BE ADOPTED FOR BUY BACK:

The Buyback is open to all Eligible Shareholders/beneficial owners of the Company holding Equity Shares either in physical and/or dematerialised form, as on the Record Date.

The Buyback shall be on a proportionate basis, through the "Tender Offer" route, as prescribed under the Buyback Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circulars. The Buyback will be implemented in accordance with the Companies Act read with the rules framed thereunder, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.

### 7. DETAILS OF SHAREHOLDING OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP, DIRECTORS OF PROMOTERS/MEMBERS OF THE PROMOTER GROUP, DIRECTORS, KEY MANAGERIAL PERSONNEL AND PERSON IN CONTROL OF THE COMPANY AND OTHER DETAILS

7.1. The aggregate shareholding of the promoter as on the date of the Board Meeting i.e., November 08, 2023 and as on the date of this Public Announcement i.e. November 09, 2023 is as follows:

Sr. No.	Name of the shareholders	Category	No. of Equity Shares held	% of paid-up equity share capital
1.	Gujarat State Fertilizers & Chemicals Limited	Promoter	3,07,79,167	19.80
2.	Gujarat State Investments Limited	Promoter	3,32,27,546	21.38
	<b>Total</b>		<b>6,40,06,713</b>	<b>41.18</b>

7.2. The aggregate shareholding of the directors of the Company ("Directors") and the key managerial personnel of the Company ("KMPs") of the Company, as on the date of the Board Meeting i.e., November 08, 2023 and as on the date of this Public Announcement i.e. November 09, 2023 is as follows:

Sr. No.	Name of the shareholders	Designation	No. of Equity Shares held	% of paid-up equity share capital
1.	Bhadresh Mehta (Jointly held with Jaina Bhadresh Mehta)	Independent Director	75	Negligible*

\*Less than 0.01%

7.3. Except as mentioned in the table below, none of the director(s)/ trustee(s) of the companies/ trusts forming part of the Promoter and Promoter Group, hold any Equity Shares in the Company as on the date of the Board Meeting i.e., November 08, 2023 and as on the date of this Public Announcement:

Sr. No.	Name of Company/ Trust forming part of the Promoter and Promoter Group	Name of the Director/ Trustee of the Promoter and Promoter Group	No. of Equity Shares held	% of paid-up equity share capital
				Nil

7.4. No Equity Shares or other specified securities of the Company were either purchased or sold (either through the stock exchange or off market transactions) by any of the promoters; Directors, Key Managerial Personnel, directors of the promoters, where such promoter is a Company and of persons who are in control of the Company during a period of six months preceding the date of the Board Resolution, i.e. November 08, 2023, and from the date of the Board Resolution till the date of this Public Announcement.

7.5. Intention of the promoters to participate in the Buyback:

In terms of the SEBI Buyback Regulations, under Tender Offer route, the promoters and members of the promoter group and persons in control of the Company have the option to participate in the Buyback. In this regard, Gujarat State Fertilizers & Chemicals Limited and Gujarat State Investments Limited, the Promoters of the Company vide its letter both dated November 9, 2023, has expressed its intention to participate in the Buyback and may tender up to a maximum number of Equity Shares as detailed below:

Sr. No.	Name of the shareholders	Category	Maximum no. of Equity Shares intended to be offered in the Buyback
1.	Gujarat State Fertilizers & Chemicals Limited	Promoter	16,80,550
2.	Gujarat State Investments Limited	Promoter	18,14,224

7.6. The details of the date and price of acquisition/sale of the Equity Shares by the promoters who intend to participate in the Buyback are set forth below:

Date of the Acquisition/Sale	Nature of transaction	No. of equity shares	Nominal value (₹)	Issue price/ transfer price (₹)	Consideration (Cash, other than cash)	Cumulative no. of Equity Shares
<b>Gujarat State Fertilizers &amp; Chemicals Limited</b>						
June 14, 1980	Subscription to MOA	1,55,00,000	10	10	Cash	1,55,00,000
August 28, 1980	Allotment	20,00,000	10	10	Cash	1,75,00,000
December 19, 1980	Allotment	15,00,000	10	10	Cash	1,90,00,000
January 12, 1981	Allotment	2,50,000	10	10	Cash	1,92,50,000
May 22, 1981	Allotment	30,00,000	10	10	Cash	2,22,50,000
January 5, 1994	Rights Issue	85,29,167	10	42.37	Cash	3,07,79,167
<b>Gujarat State Investments Limited</b>						
August 17, 1991	Transfer from Government of Gujarat	2,31,41,010	10	39.98	Cash	2,31,41,010
August 17, 1991	Market Purchase	46,625	10	39.98	Cash	2,31,87,635
September 24, 1991	Market Purchase	100	10	37.10	Cash	2,31,87,735
October 15, 1991	Market Purchase	750	10	38.25	Cash	2,31,88,485
December 27, 1991	Market Purchase	7,675	10	58.30	Cash	2,31,96,160
April 18, 1992	Market Purchase	50	10	139.50	Cash	2,31,96,210
June 16, 1992	Market Purchase	1,550	10	118.25	Cash	2,31,97,760
April 27, 1993	Market Purchase	200	10	48.50	Cash	2,31,97,960
February 11, 1992	Purchased - forfeited equity shares	28,350	10	59.24	Cash	2,32,26,310
January 5, 1994	Exercise of option attached to detachable warrants	1,00,01,236	10	42.37	Cash	3,32,27,546

### 8. NO DEFAULTS

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

### 9. CONFIRMATION BY THE BOARD OF DIRECTORS OF THE COMPANY

The Board has confirmed in the Board Meeting that they have made a full enquiry into the affairs and prospects of the Company and that they have formed the opinion in terms of Clause (X) of Schedule I of the SEBI Buyback Regulations:

- I. that immediately following the date of the Board Meeting i.e., November 08, 2023 approving the buyback, there will be no grounds on which the Company can be found unable to pay its debts;
  - II. that as regards the Company's prospects for the year immediately following the date of the Board Meeting held on November 08, 2023, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and the Company will not be rendered insolvent within a period of one year period from the date of the Board Meeting approving the buy-back; and
  - III. in forming their opinion for the above purposes, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, each as amended.
10. **CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE BUYBACK REGULATIONS AND THE COMPANIES ACT**
- 10.1. All Equity Shares of the Company are fully paid-up;
  - 10.2. The Company shall not issue any equity shares or other specified securities from the date of the Board Meeting, including by way of bonus issue or convert any outstanding employee stock options/outstanding instruments till the expiry of the Buyback period i.e. date on which the payment of consideration to shareholders who have accepted the Buyback offer is made in accordance with the provisions of 24(i)(b) of the SEBI Buyback Regulations, any circulars or notifications issued by SEBI in connection therewith;

10.3. As per Regulation 24(i)(f) of the SEBI Buyback Regulations, the Company shall not raise further capital for a period of one year from the expiry of the Buyback period i.e. the date on which the payment of consideration to shareholders who have accepted the Buyback offer is made except in discharge of subsisting obligations;

10.4. The Company shall not buyback its Equity Shares or other specified securities from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;

10.5. the aggregate maximum amount of the Buyback i.e. ₹ 652,81,37,000 (Indian Rupees Six Hundred Fifty-Two Crores Eighty-One Lakhs Thirty-seven Thousand only) does not exceed 10% of the aggregate of the total paid-up capital and free reserves based on both audited standalone and audited consolidated Financial Statements of the Company as on March 31, 2023;

10.6. the number of Equity Shares proposed to be purchased under the Buyback i.e. 84,78,100 (Eighty-four lakhs seventy-eight thousand one hundred) Equity Shares does not exceed 25% of the total number of Equity shares in the existing total paid-up equity capital of the Company as on March 31, 2023.

10.7. there are no pending schemes of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act involving the Company, as on date;

10.8. the Buyback shall be completed within a period of one year from the date of passing of the resolution by the Board;

10.9. the Company shall not make any further offer of buyback within a period of one year reckoned from the expiry of the Buyback period i.e. date on which the payment of consideration to shareholders who have accepted the Buyback offer is made;

10.10. the Company shall not withdraw the Buyback offer once the public announcement of the offer of the Buyback is made;

10.11. the Company shall comply with the statutory and regulatory timelines in respect of the buyback in such manner as prescribed under the Companies Act and/ or the SEBI Buyback Regulations and any other applicable laws;

10.12. the Company shall not utilize any borrowed funds, whether secured or unsecured, of any form or nature, from banks or financial institutions for the purpose of buying back its Equity Shares tendered in the buyback;

10.13. the Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies, if any or through any investment company or group of investment companies;

10.14. the Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;

10.15. there are no subsisting defaults in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company;

10.16. the ratio of the aggregate of secured and unsecured debts owed by the Company to the fully paid-up share capital and free reserves shall be less than 2:1 on Standalone and Consolidated basis after the proposed Buyback;

10.17. the Company shall transfer from its free reserves or securities premium account and/ or such sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares purchased through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements;

10.18. the Buyback shall not result in delisting of the Equity Shares from BSE and NSE.

10.19. the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;

10.20. as per Regulation 24(i)(e) of the SEBI Buyback Regulations, the promoters and their associates, other than the Company, shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoters and members of promoter group) from the date of the Board Meeting till the closing of the Buyback offer;

10.21. the consideration for the Buyback shall be paid by the Company only in cash;

10.22. The Company will not buyback Equity Shares which are locked-in or non-transferable until the pendency of such lock-in, or until the time the Equity Shares become transferable, as applicable

10.23. The Company shall not directly or indirectly purchase its own shares or other specified securities:

- a. through any subsidiary company including its own subsidiary companies; and
- b. through any investment company or group of investment companies;

10.24. the Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the SEBI Buy Back Regulations and the Companies Act within 7 (Seven) days of the date of payment of consideration to Eligible Shareholders who have tendered the Equity Shares under the Buy Back Offer.

### 11. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated November 8, 2023 received from Suresh Surana & Associates LLP (Firm's Registration No. 121750W/W-100010, the statutory auditor of the Company, addressed to the Board of Directors of the Company is reproduced below:

To

**The Board of Directors**  
**Gujarat Narmada Valley Fertilizers & Chemicals Limited**  
P. O. Narmadanagar,  
Bharuch – 392 015,  
Gujarat, India

**Independent Auditors' Report in respect of proposed buyback of equity shares by Gujarat Narmada Valley Fertilizers & Chemicals Limited (the "Company") not exceeding 10% of the aggregate of the fully paid-up share capital and free reserves as per the audited standalone financial statements or audited consolidated financial statements of the Company as at and for the year ended March 31, 2023, whichever sets out a lower amount, pursuant to the requirements of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 as amended ("SEBI Buyback Regulations") from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism ("Buyback")**

1. This Report is issued in accordance with the terms of our engagement letter dated 26 October, 2023 with the Company.

2. The Board of Directors of the Company have approved a proposal for buy-back of equity shares of the Company at its meeting held on November 08, 2023 ("Board Meeting"), in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 as amended (the "Companies Act") along with the rules made thereunder, as amended, and the SEBI Buyback Regulations.

3. We have been requested by the Management of the Company to provide a report on the accompanying "Statement of Permissible Capital Payment" as at March 31, 2023 ("Annexure A") (hereinafter referred to as the "Statement"). The Statement is prepared by the management of the Company and certified by the Chief Financial Officer of the Company, which we have stamped and initialed for identification purposes only.

### Management Responsibility for the Statement

4. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act and in compliance with Section 68, 69 and 70 of the Companies Act, Regulation 4(i) of the SEBI Buyback Regulations and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations, is the responsibility of the Board of Directors of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Board of Directors are responsible for the following:

- a) Appropriate determination of the capital payment of the buyback.
- b) The Board of Directors are responsible to make a full inquiry into the affairs and prospects of

- vii) Obtained from the Company Secretary a certified copy of Board resolution of the meeting of the Board of Directors in which the proposed buy-back was approved and compared the buyback amount with the permissible limit computed in accordance with Section 68(2) (c) of the Companies Act and Regulation 4(i) read along with the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations.
  - viii) Obtained from the Company Secretary a certified copy of board resolution of the meeting of the Board of Directors in which the proposed buy-back was approved and read the Board had formed the opinion as specified in Buy-Back Regulations on reasonable grounds that the Company will not, having regard to the state of affairs, be rendered insolvent within a period of one year from that date;
  - ix) Verified the arithmetical accuracy of the amounts mentioned in **Annexure A**.
  - x) Obtained appropriate representations from the Management of the Company.
9. We conducted our examination of the Statement in accordance with the Guidance note on Reports or Certificates for Special Purposes (Revised 2016), issued by the ICAI (the 'Guidance Note') and Standards on Auditing specified under Section 143(10) of the Companies Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.
11. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**Opinion**

12. Based on enquiries conducted and our examination as above, and the information and explanations given to us, we report that:

- i. We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements and audited consolidated financial statements as at and for the year ended March 31, 2023 which have been approved by the Board of Directors of the Company on 18 May, 2023.
  - ii. The amount of permissible capital payment towards the proposed buy back of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68(2)(c) of the Companies Act and Regulation 4(i) read along with the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations. The amounts of share capital and free reserves, as given in the in the **Annexure A** have been extracted from the audited standalone financial statements and audited consolidated financial statements as at and for the year ended March 31, 2023.
  - iii. The Board of Directors of the Company, in their meeting held on November 08, 2023 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds that the Company will be able to pay its debts/liabilities, if any as and when they fall due and will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the Board meeting approving the buyback dated November 08, 2023.
13. Based on the representations made by the management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

**Restriction on Use**

14. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for submitted to the manager for the said buyback i.e. SBI Capital Markets Limited, each for the purpose of extinguishment of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act and the SEBI Buyback Regulations. Therefore, this report is not intended to be and should not be used by person or for any other purpose except as mentioned in this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Further, we assume no responsibility to update this report for events and circumstances occurring after the date of this report.

15. We hereby consent to inclusion of the extracts of this certificate in the Public Announcement and Letter of Offer or any other document in relation to the Buyback.

**Your Faithfully**  
**For Suresh Surana & Associates LLP**  
**Chartered Accountants**  
**Firm Registration No.:** 121750W/IN-100010

**Sd/-**  
**Ramesh Gupta**  
**Partner**  
**Membership No. 102306**  
**UDIN: 23102306BGLWLN7818**

**Place: Mumbai**  
**Date: 8 November 2023**

**Annexure A**

**Statement of permissible capital payment as at and for the year ended March 31, 2023**

Computation of amount of the permissible capital payment towards buyback of equity shares ("**the Statement**") in accordance with the requirements of Section 68(2)(c) of the Companies Act and Regulation 4(i) read along with the proviso to Regulation 5(i)(b) of the Buyback Regulations based on audited standalone financial statements and audited consolidated financial statements as at and for the year ended March 31, 2023.

(₹ in crores)		
Particulars	Amount extracted from the latest audited standalone financial statements as at March 31, 2023	Amount extracted from the latest audited consolidated financial statements as at March 31, 2023
<b>Paid up Equity Share Capital (X)</b>	<b>155.42</b>	<b>155.42</b>
<b>Free Reserves*</b>		
- General Reserve	2,679.76	2,679.76
- Securities Premium	313.31	313.31
- Retained Earnings	5,115.16	5,213.91
<b>Total Free Reserves (Y)</b>	<b>8,108.23</b>	<b>8,206.98</b>
Total of Paid-up Equity Share Capital and Free Reserves (X+Y)	8,263.65	8,362.40
Permissible capital payment towards buy back of equity shares in accordance with Section 68(2) of the Companies Act, 2013 and Regulation 4(i) of the SEBI Buyback Regulations (10% of the paid-up equity share capital and free reserves as of March 31, 2023)	826.37	836.24
Amount approved by Board at its meeting held on November 08, 2023 approving the buyback, based on the financial statements for March 31, 2023.		652.81
Buyback offer size as a percentage of total paid-up capital and free reserves	7.90	7.80

\*Free reserves as defined in Section 2(43) of the Companies Act read along with Explanation II provided in Section 68 of the Companies Act.

**For Gujarat Narmada Valley Fertilizers & Chemicals Limited**  
**Sd/-**  
**D V Parikh**  
**Executive Director & Chief Financial Officer**

**Place: Gandhinagar**  
**Date: 8 November 2023**

**12. PRIOR APPROVALS FROM LENDERS**

As on the date this Public Announcement, the Company has obtained facilities with lenders. In accordance with Regulation 5(i)(c) and Schedule I clause (xii) of the SEBI Buy Back Regulations, it is confirmed that there is no breach of any covenants of loans taken from all the lenders including the consortium of lenders. Further, the Company has obtained such approvals as may be required from the lenders pursuant to the provisions of such facilities.

**13. RECORD DATE AND SHAREHOLDER ENTITLEMENT**

13.1 As required under the SEBI Buyback Regulations, the Company has fixed November 24, 2023 as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders who will be eligible to participate in the Buyback.

13.2 As per the SEBI Buyback Regulations and such other circulars or notifications, as may be applicable, in due course, each Eligible Shareholder as on the Record Date will receive a Letter of Offer along with a Tender offer Form) indicating the entitlement of the Eligible Shareholder for participating in the Buyback. Even if the Eligible Shareholder does not receive the Letter of Offer along with a tender form, the Eligible Shareholder may participate and tender shares in the Buyback.

13.3 The Equity Shares proposed to be bought back, as part of the Buyback is divided in to two categories:

- a. Reserved category for Small Shareholders ("**Reserved Category**"); and
- b. General category for other Eligible Shareholders ("**General Category**").

As defined under Regulation 2(i)(n) of the SEBI Buyback Regulations, a "small shareholder" is a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange in which the highest trading volume, as on record date, is not more than ₹ 2,00,000 (Indian Rupees Two Lakhs only); For the purpose of classification of a shareholder, as a "small shareholder", multiple demat accounts having the same permanent account number ("**PAN**"), in case of securities held in the demat form are to be clubbed together.

13.4 In accordance with the Regulation 6 of the SEBI Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback;

13.5 Based on the shareholding as on the Record Date, the Company will determine the entitlement of each eligible shareholder, including small shareholders, to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs. The final number of equity shares that the Company will purchase from each Eligible Shareholder will be based on the total number of shares tendered by such eligible shareholder. Accordingly, the Company may not purchase all of the shares tendered by an Eligible Shareholder in the buyback.

13.6 In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Reserved category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Reserved or General Category) and the Buyback Entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds,

insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

13.7 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.

13.8 The Eligible Shareholders participation in the Buyback is voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be 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. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

13.9 If the Buyback entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback.

13.10 The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholders as on the Record Date.

13.11 The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buyback Regulations. The settlement of tenders under the Buyback will be done using the "Mechanisms for acquisition of shares through Stock Exchange" notified by SEBI Circulars. Eligible Shareholders will receive a letter of offer along with a tender/ offer form indicating the entitlement of the equity shareholder for participating in the Buyback.

13.12 Detailed instructions for participation in the Buyback (tendering of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible shareholders as on the Record Date who have their email IDs registered with the Company/Registrar and transfer agent/ depository if Eligible Shareholders wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or KFin Technologies Limited at the address mentioned as Paragraph 17. For all the remaining Shareholders who do not have their email IDs registered with the Company/ Registrar and transfer agent/ depository, the Letter of Offer along with tender form will be sent physically.

**14. PROCESS AND METHODOLOGY FOR THE BUYBACK**

14.1. The Buyback is open to all eligible shareholders/beneficial owners, i.e., the shareholders/Beneficial Owners who on the Record Date were holding Equity Shares either in physical form ("**Physical Shares**") and/or in the dematerialized form ("**Demat Shares**"). Additionally, the Buyback shall, subject to applicable laws, to be facilitated by tendering of Equity Shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.

14.2. The Buyback would be undertaken using the "mechanism for acquisition of shares through stock exchange" as specified in Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 dated February 16, 2023 with reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 issued by SEBI ("**SEBI Master Circular**") and in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and read with the SEBI's circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, SEBI Circular no. CFD/DCR-III/CIR/P/2021/615 dated August 13 2021 and SEBI Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 08, 2023 and such other circulars as may be applicable, including any amendments thereof (the "**SEBI Circulars**") and in accordance with the procedure prescribed in the Companies Act and the SEBI Buyback Regulations, and as may be determined by the Board of Directors, or the Buyback Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "**Buyback Committee**"), on such terms and conditions as may be permitted by law from time to time.

14.3. For the implementation of the Buyback, the Company has appointed SBICAP Securities Limited as the registered broker to the Company ("**Company's Broker**") through whom the purchases and settlements on account of the Buyback would be made by the Company.

14.4. The contact details of the Company's Broker are as follows:

**Name: SBICAP Securities Limited**  
**CIN: U65999MH2005PLC155485**  
**Address: Marathon Futurex, B-Wing, 12th Floor, N.M. Joshi Marg, Lower Parel, Mumbai – 400 013**  
**Contact Person: Sumit Upadhyay**  
**Telephone Number: 022-68545555**  
**E-mail Id: helpdesk@sbicapsec.com**  
**Investor Grievance Email: complaints@sbicapsec.com**  
**Website: www.sbiscapsec.com**  
**SEBI Registration Number: INZ000200032**

14.5. The Company shall request BSE to be the designated stock exchange ("**Designated Stock Exchange**") to provide a separate acquisition window (the "**Acquisition Window**") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the Acquisition Window will be as specified by BSE from time to time.

14.6. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("**Shareholder Broker**") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

14.7. In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE, then that Eligible Shareholder(s) can approach any BSE registered stock broker and can register themselves by using quick unique client code ("**UCC**") facility through BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholder(s) are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., SBICAP Securities Limited to place their bid(s), subject to completion of KYC requirements as required by the Company's Broker.

14.8. The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

14.9. Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

14.10. The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

14.11. The Company will not accept Equity Shares tendered for the Buyback which are under restraint order of the court for transfer/ sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.

14.12. Procedure to be followed by Eligible Shareholders holding Demat Shares:

- a) Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.
- b) The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wish to tender Demat Shares in the Buyback using the Acquisition Window of the BSE.
- c) The lien shall be marked by the Shareholders Broker in the demat Account of the Eligible Shareholder(s) for the shares tendered in tender offer. Details of shares marked as lien in the demat account of the shareholder shall be provided by the Depositories to clearing corporation being Indian Clearing Corporation Limited ("**Clearing Corporation**").
- d) In case, the Shareholders Demat Account is held with one Depository and Clearing Member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter Depository Tender Offer ("IDT") instructions shall be initiated by the Eligible Shareholders at source depository to Clearing Member/Clearing Corporation account at target Depository. Source Depository shall block the Eligible Shareholder's securities (i.e. transfers from free balance to blocked balance) and sends IDT message to target Depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation
- e) 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 closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification by the concerned Seller Member shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

f) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("**TRS**") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.

g) The Eligible Shareholders 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 prorated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.

h) It is clarified that in case of dematerialised Equity Shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporations and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.

14.13. Procedure to be followed by the shareholders holding Physical Shares

- a) In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in buyback through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.
- b) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferor (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) 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 is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhaar card, voter identity card or passport.
- c) Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- d) Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. KFin Technologies Limited (at the address mentioned at paragraph 16 below) on or before the Buyback closing date. The envelope should be superscribed as "Gujarat Narmada Valley Fertilizers and Chemicals Limited Buyback Offer 2023". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.

e) The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the SEBI Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids' and displayed on Stock Exchange website.

f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

g) An unregistered shareholder holding physical shares may also tender his Equity Shares in the Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.

14.14. The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also under the receipt / provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any and that such approvals shall be required to be taken by such non-resident shareholders.

14.15. The reporting requirements for non-resident shareholders under RBI, FEMA, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/or the Shareholder's Broker through which the Eligible Shareholder places the bid

**15. METHOD OF SETTLEMENT**

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

- a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- b) The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. The settlement of fund obligation for demat shares shall be affected as per the SEBI Circulars and as prescribed by NSE and BSE and Clearing Corporation from time to time. For demat shares accepted under the Buy-back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation. If the Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/bank, due to any reason, then such funds will be transferred to the concerned Seller Member's settlement bank account for onward transfer to such Eligible Shareholders.
- c) For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- d) Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On Settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- e) In the case of Inter Depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source Depository will not be able to release the lien without a release of IDT message from Target Depository. Further, release of IDT message shall be sent by target Depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with Bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target Depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target Depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target Depository on settlement date.
- f) The Demat Shares bought back would be transferred directly to the demat account of the Company opened for the Buyback (the "**Company Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- g) The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buyback.
- h) Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholder's demat account, as part of the exchange payout process. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant. The Seller Member(s) would return these unaccepted Equity Shares to their respective clients on whose behalf the bids have been placed.

i) Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.

j) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and NSE and the Clearing Corporation from time to time.

k) The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.

l) Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholders.

m) The Equity Shares accepted, bought and lying to the credit of the Company Demat Escrow Account will be extinguished in the manner and following the procedure prescribed in the SEBI Buyback Regulations.

**16. COMPLIANCE OFFICER**

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

**Mr. A. C Shah**  
**Company Secretary and Compliance Officer**  
 Gujarat Narmada Valley Fertilizers & Chemicals Limited  
 P. O. Narmadanagar, Bharuch – 392 015, Gujarat, India  
**Telephone No.:** +91-2642-247001 / 247002  
**Email:** investor@gnfc.in

In case of any clarifications or to address investor grievance, the shareholders may contact the Compliance Officer, from Monday to Friday between 10:00 a.m. to 5:00 p.m. on all working days except public holidays, at the above-mentioned address.

**17. INVESTOR SERVICE CENTER AND REGISTRAR TO THE BUYBACK**

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

**KFINTECH**  
**FINTECH CORPORATION**  
**KFin Technologies Limited**  
 (formerly known as KFin Technologies Private Limited)  
**Address:** Selenium, Tower B, Plot Nos. - 31 & 32, Financial District Nankramguda, Serilingampally Mandal, Hyderabad - 500032  
**Tel:** +91 40 6716 2222  
**Toll Free No.:** 18003094001  
**Email:** gnfc.buyback@kfintech.com  
**Investor Grievance Email:** einward.ris@kfintech.com  
**Website:** www.kfintech.com  
**Contact Person:** M. Murali Krishna  
**SEBI registration no.:** INR00000221  
**Validity period:** Permanent  
**CIN:** U72400TG2017PLC117649

In case of any query, the shareholders may contact the Registrar to the Buyback, during office hours i.e., from 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the above-mentioned address.

**18. MANAGER TO THE BUYBACK**

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

**SBICAPS**  
**Complete Investment Banking Solutions**  
**SBI Capital Markets Limited**  
 1501, 15th Floor, A & B Wing, Parinee Crescenzo, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India  
**Tel:** +91 22 4006 9807  
**E-mail:** gnfc.buyback@sbicaps.com  
**Investor Grievance ID:** investor.relations@sbicaps.com  
**Website:** www.sbicaps.com  
**Contact Person:** Aditya Deshpande  
**SEBI Registration Number:** INM000003531

**19. DIRECTORS' RESPONSIBILITY**

As per Regulation 24(i)(a) of the Buyback Regulations, the Board accepts full responsibility for all the information contained in this Public Announcement to the extent it pertains to the information related to the Company and for the information in relation to the Company which may be contained in the advertisements, circulars, brochures, publicity materials etc., which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

**For and on behalf of the Board of Directors of Gujarat Narmada Valley Fertilizers & Chemicals Limited**

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