

Avonmore Capital & Management Services Ltd.

Ref: acms/corres/Bse/22-23/014

June 1, 2022

The General Manager
{Listing & Corporate Relations}
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Sub: Buyback of equity shares by Avonmore Capital & Management Services Limited
{"Company"} - Board Resolution

At the meeting of the board of directors ("Board") of the Company held on May 30, 2022, the Board has unanimously approved a proposal for the buyback of not exceeding 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty) fully paid-up equity shares of face value of Rs. 10/- each ("Equity Share") representing approx. 3.78 % of the total number of fully paid-up Equity Shares in the paid up share capital of the Company) at a price of Rs 95 (Rupees Ninety Five only) per Equity Share (the "Buy Back Offer Price") payable in cash for an aggregate consideration not exceeding Rs. 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine thousand Six Hundred only) (the "Buyback Offer Size") representing 9.999% & 5.64 % of the aggregate of the fully paid-up Equity Share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively, for the financial year ended March 31, 2022 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the Buyback) in terms of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended ("Buyback Regulations") ("Buyback").

In compliance with Regulation 5(vii) of the Buyback Regulations, we are enclosing herewith a copy of the board resolution passed at the meeting of the Board on May30, 2022.

The Company will provide relevant updates in relation to the Buyback as per applicable law in due course.

You are requested to take a note of the same.

Thanking you,

For **AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED**



Ms. Sonal

Company Secretary & Compliance Officer

M No. - A57027



Encl: as above

Avonmore Capital & Management Services Ltd.

CERTIFIED COPY OF THE RESOLUTIONS PASSED IN THE MEETING OF BOARD OF DIRECTORS AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED HELD ON MONDAY THE 30TH DAY OF MAY, 2022 AT 12.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT F-33/3, OKHIA INDUSTRIAL AREA PHASE - II, NEW DELHI - 110 020

TO PROPOSE BUY BACK OF EQUITY SHARES OF THE COMPANY - FY 2022-23

"RESOLVED THAT pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, and other relevant rules made thereunder, each as amended from time to time (the "Companies Act"), and in accordance with Article 14 of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 as amended (the "Buyback Regulations"), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to such other approvals, permissions, sanctions and exemptions of Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs/ Registrar of Companies, Delhi & Haryana (the "ROC") and/ or other authorities, institutions or bodies (the "Appropriate Authorities"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the board of directors of the Company (the "Board of Directors"/ "Board" which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buyback of not exceeding 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty) fully paid-up equity shares of face value of Rs. 10/- each ("Equity Share") representing approx. 3.78 % of the total number of fully paid-up Equity Shares in the paid up share capital of the Company at a price of Rs. 95 (Rupees Ninety Five only) per Equity Share (the "Buy Back Offer Price") payable in cash for an aggregate consideration not exceeding Rs. 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine thousand Six Hundred only) (the "buyback offer size") (excluding transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia including Buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses) being 9.999% & 5.64 % of the aggregate of the fully paid-up Equity Share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively, for the financial year ended March 31, 2022 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the Buyback) and is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up Equity Share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act and Buyback Regulations from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the Tender Offer route as prescribed under the Buyback Regulations (hereinafter referred to as the "Buyback")."

"RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses."

"RESOLVED FURTHER THAT the Company, to the extent legally permissible, 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 read with circular

CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, Circular bearing No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and Circular bearing No. SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 or such other circulars or notifications, as may be applicable including subsequent amendments or statutory modifications thereof and the Company shall approach the Stock Exchange(s), as may be required, for facilitating the same."

"RESOLVED FURTHER THAT such Buyback shall be made out of the Company's free reserves and / or such other permissible sources and on such terms and conditions as the Board or a duly constituted committee thereof may decide from time to time, as may be permitted by law through "Tender Offer" route and as required by the Buyback Regulations and the Companies Act, the Company may buyback Equity Shares from all the existing members holding Equity Shares of the Company on a proportionate basis, provided 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 prescribed under the Buyback Regulations"

"RESOLVED FURTHER THAT confirmation is hereby made by the Board of Directors that:

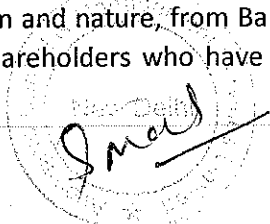
- a) all Equity Shares of the Company are fully paid up;
- b) the Company shall not issue and allot any shares or other specified securities including by way of bonus, till the date of closure of this Buyback;
- c) the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations;
- d) The company, as per the provisions of Sec 68(8) of the Companies Act, 2013, shall not make further issue of same kind of equity shares or other specified securities within a period of 6 (six) months after the expiry of the buyback period except by way of Bonus shares or equity shares issued to subsisting obligations such as conversion of warrants, stock option scheme, sweat equity or conversion of preference shares or debentures into equity shares ("the subsisting obligations");
- e) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking Company;
- f) Company shall not use borrowed funds from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;
- g) Company shall not directly or indirectly purchase its Equity Shares: - through any subsidiary company including its own subsidiary companies, if any or - through any investment company or group of investment companies;
- h) Company shall not Buyback the locked-in Equity Shares or other specified securities, if any and non-transferable Equity Shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable;
- i) the ratio of the aggregate of secured and unsecured debts owed by the Company to the paid up capital and free reserves after buyback shall be less than or equal to 2:1 based on standalone and consolidated financial statements of the Company, after excluding financial statements of all subsidiaries that are non-banking financial statements and housing finance companies regulated by Reserve Bank of India or National Housing Bank, as the case may be.

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- Provided that buy-back of securities shall be permitted only if all such excluded subsidiaries have their ratio of aggregate of secured and unsecured debts to the paid-up capital and free reserves of not more than 6:1 on standalone basis.
- j) the consideration for the Buyback shall be paid only by way of cash;
 - k) the aggregate amount of the Buyback i.e. Rs. 8,71,79,600 (Rupees Eight Crore Seventy One Lakh Seventy Nine thousand Six Hundred only) represents 9.999% & 5.64% of the total paid-up Equity Share capital and free reserves of the Company as per the latest audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2022 (the last audited standalone and consolidated financial statements available as on the date of Board meeting recommending the proposal of the Buyback) and that the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 9,17,680 (Nine Lakh Seventeen Thousand Six Hundred Eighty only) fully paid-up equity shares of face value of Rs. 10/- each does not exceed 25% of the total number of Equity Shares of the paid-up Equity Share Capital of the Company;
 - l) the Buyback shall not result in delisting of the Equity Shares from the Stock Exchanges;
 - m) the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act, 2013; and
 - n) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date.
 - o) The Buyback shall be completed within a period of 1 (one) year from the date of passing of this Board Resolution
 - p) The company shall not make any offer of Buyback within a period of one year reckoned from the date of expiry of the Buy Back period
 - q) The company has not undertaken a buyback of any of its securities during the period of 1 (one) year immediately preceding the date of Board Meeting wherein the proposal of buyback was approved
 - r) The company shall not withdraw the buyback offer after the draft letter of offer is filed with SEBI or the Public Announcement of the offer of the buyback is made
 - s) The company shall not buyback its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the buyback: and
 - t) The promoter(s) or his/their associates shall not deal in the shares or other specified securities of the company in the stock exchange or off-market, including inter- se transfer of shares among the promoters during the period from the date of passing the resolution of the board of directors, till the closing of the offer.

“RESOLVED FURTHER THAT the proposed buyback be implemented from the existing shareholders of the company as have been disclosed under the shareholding pattern filings made by the company from time to time under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended and intimations submitted from time to time pursuant to Securities Exchange and Board of India (Substantial Acquisition of Shares and Takeover) regulations, 2011 as amended (“SEBI TAKEOVER REGULATIONS”) as the Board may Consider appropriate, from out of its free reserves and/or share premium account and/or surplus and/or cash balances and/or internal accruals of the Company and/or such other sources or by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

“RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in Buyback.”



"RESOLVED FURTHER THAT as required by Clause (x) of Schedule I under Regulation 5 of the Buyback Regulations, the Board hereby confirms that the Board of Directors has made a full enquiry into the affairs and prospects of the Company and that based on such inquiry, the Board of Directors has formed an 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 the Company's prospects for the year immediately following the date of this Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities."

"RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and Mr. Govind Prasad Agarwal, Director & Mr. Ashok Kumar Gupta, Managing Director of the Company be and are hereby authorized to sign the same, for and on behalf of the Board, and Ms. Sonal, Company Secretary to file the same with the ROC and the SEBI."

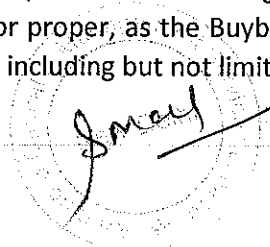
"RESOLVED FURTHER THAT the Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors/Foreign Portfolio Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if and to the extent necessary or required including approvals from Reserve Bank of India under Foreign Exchange Management Act, 1999 as amended and the rules and regulations framed there under, if any."

"RESOLVED FURTHER THAT no information / material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and Buyback Regulations."

"RESOLVED FURTHER THAT the buyback is being processed in keeping with the Company's desire to enhance overall shareholders value and buyback would lead to reduction in total number of equity shares of the company."

"RESOLVED FURTHER THAT the approval of Board be and is hereby accorded for appointment of **Corporate Capital Ventures Private Limited** as the **Manager** to the Buyback offer and **DB (International) Stock Brokers Limited** as the **Broker** to the buyback and for other services related to buyback at a fee and on terms and conditions as mutually agreed between the parties. "

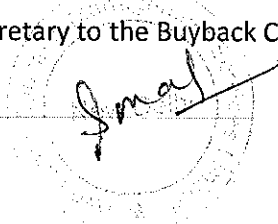
"RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for constitution of a Committee comprising of **Mr. Govind Prasad Agrawal, Director** and **Mr. Ashok Kumar Gupta, Managing Director** ("Buyback Committee") to do all such acts (except those intermediaries which are engaged by the Merchant Banker), deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:



- a) appoint any intermediaries/agencies/persons as may be required for the purposes of the Buyback and decide, settle and vary the remuneration for all such intermediaries/agencies/ persons, including by the payment of commission, brokerage, fee, charges etc.;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) approving the terms of Buyback like the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback, acceptances of shares tendered by the shareholders in the Buyback;
- d) opening, operation and closure of all necessary accounts including bank accounts, escrow bank account, special escrow bank account, depository accounts (including escrow account), trading account with the Merchant Banker/Broker / Manager to the Buyback, for the purpose of payment and authorizing persons to operate the said accounts;
- e) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- f) approving and signing of the Buyback public announcement, draft letter of offer/ letter of offer;
- g) deciding the designated Stock Exchange;
- h) approving extinguishment of dematerialized shares and physical destruction of share certificates as required under applicable law;
- 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 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, ROC, Stock Exchanges, 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) 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;
- l) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company;
- m) to deal with Stock Exchanges (including their clearing corporations), and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 read with circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 including any further amendments thereof; and
- n) to do all such acts as it may, in its absolute discretion deem necessary, expedient or proper for the implementation of the Buyback.

The Committee will cease to exist after completion of Buyback issue.

The Company Secretary shall act as the Secretary to the Buyback Committee."



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

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

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

"RESOLVED FURTHER THAT approval of the Board be and is hereby accorded for fixing Wednesday, 15th June, 2022 as Record Date for ascertaining the eligibility of the Shareholders to participate in the Buyback of Equity Shares of the Company."

"RESOLVED FURTHER THAT in terms of Regulation 24(iii) of the Buyback Regulations, Ms. Sonal, Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback and M/s Beetal Financial & Computer Services Private Limited is be and hereby appointed as the Investors Service Centre to redress the grievances of the investors."

"RESOLVED FURTHER THAT the Company shall maintain a register of shares bought back wherein details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying of Equity Shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register."

"RESOLVED FURTHER THAT Managing Director be and is hereby authorised to nominate any officer of the Company for negotiating, signing and executing necessary documents, undertaking, documents, letters, offers, agreements etc. for an on behalf of the Company."

"RESOLVED FURTHER THAT Mr. Ashok Kumar Gupta, Managing Director of the company and Ms. Sonal, the Company Secretary, be and are hereby severally authorized to file necessary e-forms with the Ministry of Corporate Affairs, Registrar of Companies, Delhi & Haryana and any other statutory authority and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions."

CERTIFIED TRUE COPY

For AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED





Ms. Sonal
Company Secretary & Compliance Officer
M No. - A57027