

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of Monte Carlo Fashions Limited (the “Company”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended (the “Buy-Back Regulations”). If you require any clarifications about the action to be taken, you may consult your stock broker or your investment consultant or the Manager to the Buy-Back i.e., Emkay Global Financial Services Limited, or the Registrar to the Buy-Back i.e., Link Intime India Private Limited. Please refer to the section on “Definition of Key Terms” for the definition of the capitalized terms used herein.



Monte Carlo Fashions Limited

Registered Office and Correspondence Address: B-XXIX-106, G.T. Road, Sherpur, Ludhiana – 141 003, India.

Tel No.: 91 161 504 8610/40; **Fax:** 91 161 504 8650; **E-mail:** investor@montecarlocorporate.com

Website: www.montecarlocorporate.com; **Corporate Identity Number (CIN):** L51494PB2008PLC032059

Contact Person: Mr. Raj Kapoor Sharma, Chief Financial Officer and Compliance Officer

CASH OFFER TO BUY-BACK UPTO 10,00,000 (TEN LAKHS) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”), REPRESENTING UP TO 4.60% OF THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS AT MARCH 31, 2018 (THE LAST AUDITED FINANCIAL STATEMENTS AVAILABLE AS ON THE DATE OF THE BOARD MEETING APPROVING THE BUY-BACK), FROM ALL THE SHAREHOLDERS/ BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e., FRIDAY, FEBRUARY 22, 2019 (“RECORD DATE”), ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” AS PRESCRIBED UNDER THE BUY-BACK REGULATIONS, AT A PRICE OF ₹ 550/- (RUPEES FIVE HUNDRED AND FIFTY ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT OF UPTO ₹ 55,00,00,000/- (RUPEES FIFTY FIVE CRORES ONLY) (THE “BUY-BACK SIZE”) WHICH REPRESENTS 10.46% OF THE AGGREGATE OF COMPANY’S PAID-UP EQUITY SHARE CAPITAL AND FREE RESERVES AS ON MARCH 31, 2018.

- The Buy-Back is in accordance with Article 55 of the Articles of Association of the Company, Sections 68, 69, 70, 110 and all other applicable provisions of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014, the Companies (Management and Administration) Rule, 2014 and is in compliance with Regulation 4(iv)(a) of the Buy-Back Regulations and such other applicable provisions under the Buy-Back Regulations, Foreign Exchange Management Act 1999 and Foreign Exchange Management (Transfer or Issue of Security by a person Resident Outside India) Regulations, 2017 and the rules and regulations framed thereunder, if applicable including any amendment(s), statutory modification(s) or re-enactments for the time being in force, and is subject to such other approvals, permissions and exemptions, as may be required, from time to time from any statutory and/ or regulatory authority, including but not limited to the Securities and Exchange Board of India (“SEBI”), the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (collectively, “Stock Exchanges”), the Registrar of Companies, and Reserve Bank of India, which may be agreed by the Board of Directors of the Company (“Board”) and/ or any sub-committee thereof.
- The Buy-Back Size is upto ₹ 55,00,00,000 (Rupees Fifty Five Crores Only) which represents approximately 10.46% of the aggregate of the total paid-up equity share capital and free reserves as per the audited financial statements of the Company for the year ended March 31, 2018 (the last audited balance sheet available as on the date of the Board Meeting recommending the proposal of the Buy-Back) and is within the statutory limits of 25% of the total paid-up equity share capital and free reserves as per the last audited financial statements of the Company.
- A copy of the Public Announcement (as defined below), Draft Letter of Offer and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement (the “Tender Form”)) shall also be available on the website of Securities and Exchange Board of India at: <http://www.sebi.gov.in>
- The Letter of Offer will be sent to those Equity Shareholder(s)/ Beneficial Owner(s) of Equity Shares who hold Equity Shares as on the Record Date i.e. Friday, February, 22, 2019.
- The procedure for tender and settlement is set out in paragraph 20 (Procedure for Tender Offer and Settlement) on page 29 of this Letter of Offer. Tender Form is enclosed together with this Letter of Offer.
- The payment of consideration is in cash to the Eligible Shareholder. For further details on the mode of consideration, please refer to paragraph 20 on page 29 of Letter of Offer.
- The Eligible Shareholders are advised to read this Letter of Offer and in particular, refer to paragraph 17 (*Details of the Statutory Approvals*) and paragraph 21 (*Note on Taxation*) on page 25 and 34, respectively, of this Letter of Offer, before tendering their Equity Shares in the Buy-Back.

BUY-BACK OPENS ON: TUESDAY, MARCH 19, 2019

BUY-BACK CLOSES ON: TUESDAY, APRIL 02, 2019

LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR: THURSDAY, APRIL 04, 2019 by 5:00 PM IST

MANAGER TO THE BUY-BACK

REGISTRAR TO THE BUY-BACK



EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Contact Person: Mr. Deepak Yadav/ Mr. Chirag Dave
Regd. Off.: 7th Floor, The Ruby, Senapati Bapat Marg, Dadar-West, Mumbai-400028, Maharashtra.

Tel. No.: +91 22 66121212; **Fax No.:** +91 22 66121355

Email id: montecarlo.buyback@emkayglobal.com

Website: www.emkayglobal.com

SEBI Regn. No.: INM000011229;

Validity Period : Permanent

Link Intime India Private Limited

C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Telephone: +91 22 4918 6200; **Facsimile:** +91 22 4918 6195

Email: mcfashions.buyback@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI registration number : INR000004058

Validity Period: Permanent; **CIN:** U67190MH1999PTC118368

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1. SCHEDULE OF ACTIVITIES OF THE BUY-BACK

Sr. No	Activity	Date	Day
1.	Date of the Board Meeting approving the proposal for the Buy-Back	November 30, 2018	Friday
2.	Date of declaration of results of the postal ballot for special resolution by the Equity Shareholders, approving the Buy-Back	February 08, 2019	Friday
3.	Date of Public Announcement for the Buy-Back	February 08, 2019	Friday
4.	Date of publication of Public Announcement for the Buy-Back	February 11, 2019	Monday
5.	Record Date for determining the Buy-Back Entitlement and the names of the Eligible Shareholders	February 22, 2019	Friday
6.	Date of Opening of Buy-Back Offer	March 19, 2019	Tuesday
7.	Date of Closing of Buy-Back Offer	April 02, 2019	Tuesday
8.	Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar	April 04, 2019	Thursday
9.	Last date of verification of Tender Forms by the Registrar	April 09, 2019	Tuesday
10.	Last date of intimation regarding Acceptance/ non-Acceptance of tendered Equity Shares to the Designated Stock Exchange by the Registrar	April 09, 2019	Tuesday
11.	Last date of settlement of bids on the Designated Stock Exchange	April 10, 2019	Wednesday
12.	Last date of dispatch of share certificate(s) by Registrar/ payment to Eligible Shareholders/ return of unaccepted demat shares by the Designated Stock Exchange to Eligible Shareholders/ Seller Member.	April 10, 2019	Wednesday
13.	Last date of extinguishment of Equity Shares	April 16, 2019	Tuesday

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

2. DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below.

References to any legislation, Act, regulation, rules, guidelines or policies shall be to such legislation, Act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buy-Back Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Term	Description
Acceptance/ Accept/ Accepted	Acceptance of Equity Shares tendered by Eligible Shareholders in the Buy-Back Offer.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars.
Act or Companies Act	The Companies Act, 2013 and rules framed thereunder (including any statutory modifications or amendments thereof).
Additional Equity Shares / Additional Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buy-Back Entitlement of such Eligible Shareholder not exceeding the Equity Shares held by such Eligible Shareholder as on the Record Date.
Articles or Articles of Association	Articles of Association of the Company.
Board Meeting	Meeting of the Board of Directors of the Company held on November 30, 2018 approving the proposal for the Buy-Back.
Board/Board of Directors	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized "Committee" thereof).
BSE	BSE Limited

Term	Description
Buy-Back/ Offer/Buy-Back Offer	The Buy-Back by the Company of its fully paid-up Equity Shares of face value of ₹ 10 (Rupees Ten Only) each up to 10,00,000 (Ten Lakhs) Equity Shares (representing 4.60% of the total paid-up Equity Share capital of the Company) at a price of ₹ 550/- (Rupees Five Hundred and Fifty Only) per Equity Shares payable in cash for an aggregate consideration up to ₹ 55,00,00,000 (Rupees Fifty Five Crores Only) excluding transaction cost from the Equity Shareholders of the Company as on the Record Date, by way of Tender Offer through the Stock Exchange mechanism in terms of the Buy-Back Regulations read with SEBI Circulars, on a proportional basis.
Buy-Back Committee	The Buy-Back Committee of the Board comprising Sh. Jawahar Lal Oswal, Chairman and Managing Director, Sh. Sandeep Jain, Executive Director, Sh. Dinesh Gogna, Director, Sh. Suresh Kumar Singla, Independent Director and Sh. Sahil Jain, Company Secretary constituted and authorized for the purposes of the Buy-Back by a resolution passed by the Board at its meeting held on November 13, 2018.
Buy-Back Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buy-Back, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio/percentage of Buy-Back applicable in the category to which such Eligible Shareholder belongs.
Buy-Back Price	Price at which Equity Shares will be bought back from Eligible Shareholders i.e. ₹ 550 (Rupees Five Hundred and Fifty Only) per Equity Share, payable in cash.
Buy-Back Opening Date	Tuesday, March 19, 2019.
Buy-Back Closing Date	Tuesday, April 02, 2019.
Buy-Back Period	The period between the date of declaration of results of the postal ballot for special resolution authorizing the Buy-Back of the Equity Shares of the Company and the date on which the payment of consideration to Shareholders who have Accepted the Buy-Back Offer is made.
Buy-Back Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any statutory modifications or re-enactments thereof.
Buy-Back Size	Maximum number of Equity Shares proposed to be bought back by the Company (i.e. upto 10,00,000 (Ten Lakhs) Equity Shares multiplied by the Buy-Back Price [i.e. ₹ 550 (Rupees Five Hundred and Fifty Only) per Equity Share], not exceeding ₹ 55,00,00,000/- (Rupees Fifty Five Crores Only).
CDSL	Central Depository Services Limited.
Clearing Corporation	Indian Clearing Corporation Limited.
Company	Monte Carlo Fashions Limited.
Companies Act / Act	The Companies Act, 2013, with rules notified therein as amended.
Company's Broker	Emkay Global Financial Services Limited.
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited.
Designated Stock Exchange	The Designated Stock Exchange for the Buy-Back, being, BSE Limited.
DP	Depository Participant
Draft Letter of Offer / DLOF	The draft letter of offer dated February 13, 2019 filed with SEBI through the Manager to the Buy-Back Offer, containing disclosures in relation to the Buy-Back as specified in Schedule III read along with Schedule IV of the Buy-Back Regulations.
DTAA	Double Taxation Avoidance Agreement.
Eligible Seller(s) / Eligible Shareholder(s)	Person(s) eligible to participate in the Buy-Back Offer and would mean all Equity Shareholders holding Equity Shares either in physical or dematerialized form as on the Record Date i.e. Friday, February 22, 2019.
Equity Shares/ Shares	Fully paid-up Equity Shares of face value of ₹ 10 (Rupees Ten Only) each of the Company.

Term	Description
Equity Shareholder/ Shareholders	Holders of Equity Shares of the Company and includes beneficial owners thereof.
Escrow Account	The Escrow Account titled “MONTE CARLO FASHIONS – BUY BACK ESCROW ACCOUNT” opened with the Escrow Agent in terms of the Escrow Agreement.
Escrow Agent	ICICI Bank Limited.
Escrow Agreement	The escrow agreement dated February 04, 2019 entered into amongst the Company, the Manager and the Escrow Agent.
FCNR account	Foreign Currency Non-Resident Account.
FEMA	Foreign Exchange Management Act, 1999, as amended.
FII(s)	Foreign Institutional Investors.
FPI(s)	Foreign Portfolio Investors.
General Category	Eligible Shareholders other than Small Shareholders.
HUF	Hindu Undivided Family.
Income Tax Act / ITA	Income Tax Act, 1961 (including any statutory modifications or re-enactments thereof).
Letter of Offer	Letter of Offer dated March 08, 2019 to be filed with SEBI containing disclosures in relation to the Buy-Back as specified in Schedule III of the Buy-Back Regulations, including comments received from SEBI on the Draft Letter of Offer.
LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
Management Rules	The Companies (Management and Administration) Rules, 2014, including any amendments, statutory modifications or re-enactments thereof, for the time being in force.
Manager to the Buy-Back / Manager	Emkay Global Financial Services Limited.
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs) and erstwhile OCBs.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Bodies.
Postal Ballot Notice	Postal ballot notice dated November 30, 2018, through which the Shareholders of the Company approved the Buy-Back, results of which were announced on February 08, 2019.
Promoter / Person in Control	Sidhant and Mannat Company Limited, Simran and Shanaya Company Limited, Nahar Capital & Financial Services Limited, Nagdevi Trading & Investment Company Limited, Vanaik Investors Limited, Tanvi Oswal, Kamal Oswal, Jawahar Lal Oswal, Dinesh Oswal, Abhilash Oswal, Sambhav Oswal, Abhinav Oswal, Rishabh Oswal, Atam Vallabh Financiers Limited, Oswal Woollen Mills Limited, Manisha Oswal, Vardhman Investments Limited, Ritu Oswal, Monica Oswal, Ruchika Oswal, Neha Credit & Investment Private Limited, Vanaik Spinning Mills Limited.
Public Announcement / PA	The public announcement made in accordance with the Buy-Back Regulations, dated February 08, 2019, and published on February 11, 2019 in all editions of the Business Standard, an English daily and Hindi national daily and Desh Sewak, a Punjabi daily (Punjabi being the regional language where the Registered Office of the Company is situated), each with wide circulation.
PAN	Permanent Account Number.
RBI	Reserve Bank of India.
Record Date	Friday, February 22, 2019 i.e. the date for the purpose of determining the Buy-Back Entitlement and the names of the Eligible Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buy-Back Offer in accordance with Buy-Back Regulations.
Registrar to the Buy-Back / Registrar	Link Intime India Private Limited.

Term	Description
SEBI	Securities and Exchange Board of India.
SEBI Circulars	SEBI circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended.
Seller Member(s)	Stockbroker(s) of Eligible Shareholder(s), through whom the Eligible Shareholder(s) want(s) to participate in the Buy-Back.
Share Capital Rules	The Companies (Share Capital and Debentures) Rules, 2014, including any amendments, statutory modifications or re-enactments thereof, for the time being in force.
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than ₹ 2,00,000 (Rupees Two Lakhs Only) on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on the Record Date i.e. Friday, February 22, 2019, as defined in Regulation 2(i)(n) of the Buy Back Regulations.
Stock Exchanges	BSE and NSE.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Tender Form / Offer Form	Form of Acceptance-cum-acknowledgment.
Tender Offer	Method of Buy-Back as defined in Regulation 2(i)(q) of the Buy-Back Regulations.
Tendering Period	Period of 10 (Ten) Working Days from the Buy-Back Opening Date till the Buy-Back Closing Date (both days inclusive).
TRS	Transaction Registration Slip.
Working Day	Working day as defined under Regulation 2(i)(s) of the Buy-Back Regulations.

3. DISCLAIMER CLAUSE

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

It is to be distinctly understood that submission of this Letter of Offer to SEBI should not, in any way be deemed or construed, that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buy-Back commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buy-Back, Emkay Global Financial Services Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and Buy-Back Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buy-Back.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buy-Back is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buy-Back, Emkay Global Financial Services Limited, has furnished to SEBI a due diligence certificate dated February 13, 2019 in accordance with Buy-Back Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buy-Back as part of the due diligence carried out by us in connection with the finalization of the public announcement and the Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- *The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buy-Back;*
- *All the legal requirements connected with the Offer including the SEBI (Buy Back of Securities) Regulations, 2018, as amended, have been duly complied with;*
- *The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Equity Shareholders of the Company to make a well informed decision in respect of the captioned Buy-Back;*
- *Funds used for the Buy-Back shall be as per the provisions of the Companies Act, 2013 including any amendments statutory modification(s) or re-enactment(s) thereof for time being in force.”*

The filing of the offer document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buy-Back.

The Promoters / Board of Directors declare and confirm that no information/ material which is likely to have a bearing on the decision of Eligible Shareholders, 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 it is found that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the Promoters / Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buy-Back Regulations.

The Promoters / Board of Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buy-Back.

Certain figures contained in this Letter of Offer, including financial information, have been subjected to rounding-off and casting adjustments. 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.

Disclaimer for U.S. Persons:

The information contained in this Letter of Offer is exclusively intended for persons who are not US Persons as such term is defined in Regulations of the US Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Forward Looking Statement:

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

4. TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS

A. Approval of Buy-Back

The Buy-Back through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on November 30, 2018. The relevant extracts of the Board resolutions are as follows:

“RESOLVED THAT pursuant to Article 55 of the Articles of Association of the Company and in accordance with the provisions of Sections 68, 69, 70, 110, 179 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the **“Companies Act”**) read with Companies (Share Capital and Debentures) Rules, 2014, as amended including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations 2018, as amended (**“SEBI Buy-Back Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**) 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 and subject to the approval of the shareholders through postal ballot mechanism, the Board of Directors of the Company (the **“Board”**), which expression shall include any Committee constituted by the Board to exercise the powers conferred by this resolution (the **“Buy-Back Committee”**) hereby consents and approves the buy-back by the Company of fully paid-up equity shares of face value of ₹ 10/- each (**“Equity Shares”**), not exceeding 1,000,000 Equity Shares at a maximum price of ₹ 550 (Rupees Five Hundred Fifty Only) per share (**“Maximum Buy-Back Price”**) for an aggregate maximum amount of upto ₹ 550,000,000 (Rupees Fifty Five Crores Only) excluding expenses incurred or to be incurred for the Buy-Back (**“Maximum Buy-Back Size”**), which represents 10.46% of the aggregate of the Company’s paid-up equity share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2018 from the equity shareholders of the Company as on the Record Date, to be announced by the Board/Buy-Back Committee(**“Record Date”**), on proportionate basis through the ‘tender offer’ route, as prescribed under the SEBI Buy-Back Regulations (hereinafter referred to as the **“Buy-Back”**).

RESOLVED FURTHER THAT in terms of Regulation 6 of the SEBI Buy-Back Regulations, the Company may buy-back Equity Shares from the existing shareholders as on record date, on proportionate basis, provided that fifteen

percent of the number of Equity Shares which the Company proposes to buy-back 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 defined in the SEBI Buy-Back Regulations.

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

RESOLVED FURTHER THAT the proposed Buy-Back be implemented from the existing equity shareholders as on record date in a manner the Board may consider appropriate, out of the funds available with the Company or such other source as may be permitted under SEBI Buy-Back Regulations or the Companies Act 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 the draft of the Declaration of Solvency as prescribed and placed before the meeting, be and is hereby approved and that Sh. Jawahar Lal Oswal (DIN: 00463866), Chairman and Managing Director and Sh. Dinesh Gogna (DIN: 00498670), Director be and are hereby authorized jointly to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies and the SEBI in accordance with applicable law.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Sh. Jawahar Lal Oswal (DIN: 00463866), Chairman and Managing Director, Sh. Sandeep Jain (DIN: 00565760), Executive Director and Sh. Dinesh Gogna (DIN: 00498670), Director and Sh. Sahil Jain, Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute & sign all documents as may be required in connection with the above and to settle any questions or difficulties whatsoever may arise in relation to the Buy-Back.

RESOLVED FURTHER THAT the Board of Directors noted that the Promoters and Promoter Group of the Company will neither participate nor tender any of the shares held by them in the proposed Buy-Back as per the intimation received from them in this regard.

RESOLVED FURTHER THAT the Buy-Back from non-resident members holding Equity Shares of the Company, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) and shareholders of foreign nationality, etc. shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended and the rules and regulations framed there under, if any.

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

- all Equity Shares of the Company are fully paid-up and shall not buy-back Equity Shares which are subjected to lock-in, during the pendency of the lock-in and the Equity Shares which are non-transferable, until the Equity Shares become transferable;
- the Company is not making offer of Buy-Back within a period of one year reckoned from the date of closure of the previous Buy-Back period;
- the Company shall not raise further capital for a period of one year from the closure of the Buy-Back, except in discharge of subsisting obligations;
- The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-Back period;
- the Company shall not Buy-Back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buy-Back;
- the maximum aggregate amount of the Buy-Back, i.e. Rs.55.00 Crores (Rupees Fifty Five Crores Only), does not exceed 25% of the total number of Equity Shares in the paid-up capital and free reserves as per the audited financial statement as on March 31, 2018;
- the special resolution approving the Buy-Back will be valid for a maximum period of one year from the date of passing the said Special Resolution (or such extended period as may be permitted under the Act or the SEBI Buy-Back Regulations or by the appropriate authorities). The exact time table for the Buy-Back shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- the number of Equity Shares proposed to be purchased under the Buy-Back i.e. Equity Shares, does not exceed 25% of the total paid-up equity share capital;
- there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;

- the Company shall not utilize any money borrowed from banks or financial institutions for the purpose of buying back its shares;
- the Company shall not directly or indirectly purchase its own Equity Shares:
 - a) through any subsidiary company including its own subsidiary companies; or
 - b) through any investment company or group of investment companies;
- the Company is in compliance with the provisions of Sections 92, 123, 127 and Section 129 of the Companies Act;
- 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;
- the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-Back is not more than twice the paid-up capital and its free reserves;
- the Company shall transfer from its free reserves to the Capital Redemption Reserve account a sum equal to the nominal value of the Equity Shares purchased through the Buy-Back and the details of such transfer shall be disclosed in its subsequent audited balance sheet.
- the Company shall not withdraw the Buy-Back after the public announcement of the offer to Buy-Back is made;
- the Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the Buy-Back Regulations and the Act within 7 (seven) days of the last date of completion of the Buy-Back; and
- the statements contained in all the relevant documents in relation to the Buy-Back shall be true, material and factual and shall not contain any mis-statements or misleading information.

RESOLVED FURTHER THAT as required by clause (xi) of Schedule I under Regulation 5(iv)(b) of the SEBI Buy-Back Regulations, the Board hereby confirms that based on such full inquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Companies Act or the Insolvency and Bankruptcy Code 2016, the Board has formed an opinion that:

- immediately following the date of this meeting and the date on which the results of shareholders' resolution passed by way of Postal Ballot/ E-voting ("**Postal Ballot Resolution**") will be declared, there are no grounds on which the Company can be found unable to pay its debts;
- as regards the Company's prospects for the year immediately following the date of this meeting and for the year immediately following the Postal Ballot Resolution, 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 will not be rendered insolvent within a period of one year from the date of this Board meeting as well as the date of the Postal Ballot Resolution; and
- that in forming their opinion for the above purpose, the Board has taken into account the liabilities as if the Company is being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities)".

RESOLVED FURTHER THAT the Buy-Back Committee be and is hereby authorized to delegate all or any of the authorities conferred upon it to any officer(s)/ authorized signatory(ies) of the Company.

RESOLVED FURTHER THAT Sh. Sahil Jain, Company Secretary be and is hereby appointed as the Compliance Officer for the Buy-Back and be and is hereby designated as the investors service centre, as required under Regulation 19(3) of the SEBI Buy-Back Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution Sh. Jawahar Lal Oswal (DIN: 00463866), Chairman and Managing Director, Sh. Sandeep Jain (DIN: 00565760), Executive Director and Sh. Dinesh Gogna (DIN: 00498670), Director and Sh. Sahil Jain, Company Secretary be and are hereby severally authorized to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever may arise in relation to the Buy-Back.

RESOLVED FURTHER THAT the Buy-Back shall not result in violation of the conditions for continuous listing prescribed in terms of Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e. the Company continuing to maintain a minimum public shareholding of 25 percent.

RESOLVED FURTHER THAT the Equity Shares that may be bought back shall not exceed the maximum number of Equity Shares permissible under applicable law and the aggregate consideration payable pursuant to the Buy-Back shall not exceed the Maximum Buy-Back size.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer, or confer any obligation on the Company or the Board or the Buy-Back Committee to buy-back any shares, or impair any power of the Company or the Board to terminate any process in relation to such Buy-Back, if permitted by law.

RESOLVED FURTHER THAT the Company shall maintain a register of securities 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 the Equity Shares and such other particulars as may be prescribed in relation to the Buy-Back shall be entered and that the company secretary of the Company be and is hereby authorized to authenticate the entries made in the said register.

RESOLVED FURTHER THAT Sh. Sahil Jain, Company Secretary of the Company be and are hereby severally authorized to send the necessary intimations to the Stock Exchanges in relation to this resolution, as may be required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

B. Constitution of Buy-Back Committee

The Board at its meeting held on November 13, 2018, constituted a Buy-Back Committee to consider the proposal of Buy-Back of Equity Shares of the Company and passed the following resolution.

“RESOLVED THAT

- a) following the date of this Board Meeting, there is no ground, on the basis of financial position as on today, on which the Company could be found unable to pay its debts;
- b) as regards its prospects for the year immediately following this date that, having regard to their intentions with respect to the management of the Company’s business during the year and to the amount and character of the financial resources which will be available to the Company during the 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 this date.

While forming the above opinion, the Board has taken into account all the liabilities as if the Company was being wound up under the provisions of the Companies Act, 2013 or Companies Act or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

After considering various provisions and process involved in the Buy-Back, the Board agreed to constitute a “Buy-Back Committee” which shall present its report on the said proposal so that the Board can consider and approve the proposed action.

RESOLVED FURTHER THAT in view of the financial position of the Company as discussed above and to enhance the overall shareholder’s value, consent of the Board be and is hereby accorded to consider the Buy-Back of Equity Shares of the Company through tender offer and for that purpose, the Board hereby appoints the “Buy-Back Committee” to place their recommendation in the next board meeting for the final approval of the Board, subject to Shareholders’ approval, if required under law.

RESOLVED FURTHER THAT the “Buy-Back Committee” shall comprise of the following:

1. Sh. Jawahar Lal Oswal Chairman & Managing Director
2. Sh. Sandeep Jain Executive Director
3. Sh. Dinesh Gogna Director
4. Sh. Suresh Kumar Singla Independent Director
5. Sh. Sahil Jain Company Secretary

RESOLVED FURTHER THAT the “Buy-Back Committee” be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, including but not limited to,

- proposing the terms of Buy-Back like the aggregate amount to be utilized for the Buy-Back, including the price and the number of Equity Shares to be bought back within the statutory limits, the mechanism for the Buy-Back, entitlement ratio, the timeframe for completion of the Buy-Back, subject to the approval of the Board;
- execution of escrow arrangements in accordance with SEBI Buy-Back Regulations;
- earmarking and making arrangements for adequate sources of funds for the purpose of the Buy-Back, including arranging for bank guarantee as may be necessary for the Buy-Back in accordance with applicable law;

- opening, operating and closing of all necessary accounts for this purpose, including bank accounts, depository accounts (including escrow account), and authorizing persons to operate such accounts;
- appointing and finalizing the terms of merchant bankers, brokers, escrow agents, registrars, legal counsel, depository participants, scrutinizer, compliance officer and such other intermediaries/agencies for implementation of the Buy-Back;
- preparing, executing and filing of various documents as may be necessary or desirable in connection with or incidental to the Buy-Back including public announcement, draft and final letter of offer, declaration of solvency, extinguishment of Equity Shares and certificate of extinguishment required to be filed in connection with the Buy-Back on behalf of the Board;
- extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buy-Back on behalf of the Company and / or Board, as required under the applicable law;
- providing such confirmation and opinions as may be required in relation to the Buy-Back;
- carrying out incidental documentation and to prepare applications and submit them to the Appropriate Authorities for their requisite approvals; and
- to do all such acts, matters and things incidental and in connection with the Buy-Back and sign and deliver such documents as may be necessary, desirable and expedient.

RESOLVED FURTHER THAT the Board do appoint Emkay Global Financial Services Limited as the Banker to offer and that the draft of the engagement letter containing all the terms and conditions be and is hereby placed before the Board and taken on record and that Sh. Jawahar Lal Oswal, Chairman & Managing Director and Sh. Dinesh Gogna, Director of the Company be and are hereby severally/jointly authorized to sign and execute the same on behalf of the Company and to do all such acts, deeds, matters and things as may be necessary and incidental in giving effect to the aforesaid resolutions.”

The Buy-back Committee vide its meeting dated February 27, 2019 has appointed Mr. Raj Kapoor Sharma, Chief Financial Officer as Compliance Officer for Buy-Back purpose replacing Mr. Sahil Jain, Company Secretary.

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

5.1 In accordance with Regulation 7(i) of the Buy-Back Regulations, the Company has made a Public Announcement dated February 08, 2019 in relation to the Buy-Back which was published in the following newspapers on February 11, 2019:

Sr. No	Name of the Newspaper	Language	Editions
1.	Business Standard	English & Hindi	All
2.	Desh Sewak	Punjabi	Punjab & Chandigarh

5.2 The Public Announcement was issued within two (2) Working Days from the date of passing the special resolution by the Equity Shareholders approving Buy-Back through postal ballot, the results of which were declared on February 08, 2019.

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

5.4 A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in, on the website of the Company at www.montecarlocorporate.com and on the website of Stock Exchanges at www.nseindia.com and www.bseindia.com during the period of the Buy-Back.

6. DETAILS OF THE BUY-BACK

6.1 The Buy-Back has been authorized by a resolution of the Board of Directors on November 30, 2018, on the basis of recommendation made by the Buy-Back Committee. The Board had sought approval of the Shareholders of the Company for Buy-Back, by a special resolution, through notice of postal ballot dated November 30, 2018 (“**Postal Ballot Notice**”), the results of which were announced on February 08, 2019. The Shareholders of the Company have approved the Buy-Back by special resolution through postal ballot process. The details of the Buy-Back are set out below:

Name of the Company	Monte Carlo Fashions Limited
Maximum number of Equity Shares proposed to be bought back pursuant to the Buy-Back	The Company proposes to Buy-Back up to 10,00,000 (Ten Lakhs) Equity Shares of face value of ₹ 10 (Rupees Ten Only) each of the Company.
Number of Equity Shares proposed to be bought back pursuant to the Buy-Back as a percentage of the existing paid-up equity share capital of the Company.	The Equity Shares to be bought back pursuant to the Buy-Back represents 4.60% of the total paid-up Equity Share capital of the Company.

Buy-Back Price and Basis of Determining the Price of the Buy-Back	<p>The Equity Shares of the Company are proposed to be bought back at a Buy-Back Price i.e. ₹ 550/- (Rupees Five Hundred Fifty Only) per share. After considering various factors including, but not limited to, the volume weighted average prices of the Equity Shares traded on the Stock Exchanges where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per Share, the final Buy-Back Price has been determined on the basis of volume weighted average prices of the Equity Shares.</p> <p>The Buy-Back Price represents:</p> <ol style="list-style-type: none"> i. Premium of 47.37% and 45.60% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, during three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back; ii. Premium of 58.92% and 58.13% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back.
Applicable regulations of SEBI and provisions of the Companies Act, in accordance with which the Buy-Back is made.	<p>The Buy-Back is being undertaken in terms of Article 55 of the Company's Articles of Association, Chapter III of the Buy-Back Regulations through Tender Offer route and in accordance with other applicable provisions of the Buy-Back Regulations, the SEBI Circulars, LODR Regulations and Sections 68, 69, 70, 110 and other applicable provisions, if any, of the Act, and the relevant rules framed thereunder, including the Share Capital Rules and the Management Rules, to the extent applicable.</p> <p>The Buy-Back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including SEBI and the Stock Exchanges.</p>
Methodology for the Buy-Back	<p>The Buy-Back shall be undertaken on a proportionate basis from the Eligible Shareholders of the Company as on the Record Date through the "Tender Offer" route, as prescribed under Regulation 4(iv)(a) of the Buy-Back Regulations. Additionally, the Buy-Back 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 in SEBI Circular. For the purposes of this Buy-Back, BSE will be the Designated Stock Exchange and will provide the Acquisition Window for facilitating tendering of Equity Shares under the Buy-Back.</p>
Maximum amount to be incurred towards the Buy-Back and its percentage with respect to the total paid-up equity share capital and free reserves and percentage with respect to net worth of the Company.	<p>The aggregate Paid-Up Equity Share Capital and Free Reserves (including securities premium account) of the Company as at March 31, 2018, was ₹ 52,590.79 Lakhs (Rupees Five hundred Twenty Five Crores Ninety Lakhs and Seventy Nine Thousand Only).</p> <p>The maximum amount required for Buy-Back shall be upto ₹ 55,00,00,000 (Rupees Fifty Five Crores Only) excluding transaction costs. The said amount works out to 10.46% of aggregate of total paid-up Equity Share capital and free reserves of the Company, as per the audited financial statements of the Company as on March 31, 2018, which is within the prescribed limit of 25% under the Act. The proposed Buy-Back will be implemented out of the funds available with the Company or such other source as may be permitted by the Buy-Back Regulations or the Companies Act. The Company confirms that it has got sufficient source to pay the total Buy-Back consideration and would not borrow funds for the said purpose.</p>
Shareholding of the Promoters and its percentage with respect to the total paid-up Equity Share capital of the Company.	<p>Please refer to Paragraph 13 (Capital Structure and Shareholding Pattern) of this Letter of Offer, for details of the shareholding of the Promoters and its percentage with respect to the total paid-up Equity Share capital of the Company.</p>

Intention of the Promoters/Persons in Control and Promoter Group to participate in the Buy-Back.	In terms of the Buy-Back Regulations, under the Tender Offer route, the Promoters of the Company have an option to participate in the Buy-Back. However, the Promoters and the Promoter Group have expressed their intention to the Board vide their letter dated November 28, 2018, about non-participation in the Buy-Back and the Board has taken note of the same in its meeting held on November 30, 2018.
Promoters' shareholding after the completion of the Buy-Back.	Please refer to the paragraph 13 (Capital Structure and Shareholding Pattern) of this Letter of Offer, for details of the shareholding of the Promoters following completion of the Buy-Back.

- 6.2 The Company confirms that after the completion of the Buy-Back, the non-promoter shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the LODR Regulations.
- 6.3 This Buy-Back is subject to the grant of certain exemptions and no action relief by the U.S. Securities and Exchange Commission prior to the commencement of the Tendering Period in order to allow the Buy-Back Offer to be made to U.S. Eligible Shareholders without breaching the rules under the U.S. Securities Exchange Act of 1934 (as amended).
- 6.4 This Buy-Back from non-resident members, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) and members of foreign nationality, etc., if any, is subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any, and such approvals shall be required to be taken by such non-resident members.
- 6.5 The Buy-Back shall be undertaken on a proportionate basis from the Eligible Shareholders through the Tender Offer process prescribed under the Buy-Back Regulations. Additionally, the Buy-Back shall be implemented by the Company using the "Mechanism for acquisition of Shares through stock exchange" as specified by the SEBI Circulars. In this regard, the Company will request the Stock Exchange viz. BSE to provide the Acquisition Window for facilitating tendering of Equity Shares under the Buy-Back. For the purposes of this Buy-Back, BSE shall be the Designated Stock Exchange. Once the Buy-Back is concluded, all Equity Shares bought back by the Company in the Buy-Back will be extinguished.
- 6.6 The aggregate paid-up share capital and free reserves of the Company as per the audited financial statement as on March 31, 2018 is ₹ 52,590.79 Lakhs (Rupees Five Hundred and Twenty Five Crores Ninety Lakhs Seventy Nine Thousands Only). Under the provisions of the Act, the maximum amount utilized for the Buy-Back shall not exceed 25% of the total paid-up capital and free reserves of the Company, as per the audited financial statements of the Company as on March 31, 2018, i.e., ₹ 13,147.70 Lakhs (Rupees One Hundred Thirty One Crores Forty Seven Lakhs Seventy Thousands Only). The maximum amount proposed to be utilized for the Buy-Back Offer is ₹ 55,00,00,000 (Rupees Fifty Five Crores Only), excluding the transaction cost and is therefore within the limit of 25% of the Company's total paid-up equity capital and free reserves, as per the audited financial statements as on March 31, 2018.
- 6.7 Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the Fully Paid-Up Equity Shares of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 54,33,016 (Fifty Four Lakhs Thirty Three Thousand and Sixteen) Equity Shares. As the Company proposes to Buy-Back upto 10,00,000 (Ten Lakhs) Equity Shares, which aggregates up to 4.60% of the Fully Paid-Up Equity Shares of the Company as on March 31, 2018, the same is within the aforesaid 25% limit.
- 6.8 No Equity Shares of the Company have been purchased/ sold by any member of the Promoter(s)/ Promoters Group, and Person in Control of the Company, the director/ trustees of the Promoter/ Promoter Group, where the Promoter is a Company/ Trust, and the Directors and KMP of the Company during the period of twelve months preceding the date of the Board Meeting at which the Buy-Back was approved and from the date of Board Meeting till the date of Public Announcement and twelve months preceding the Public Announcement, except as disclosed in Paragraph 13.10 under the heading Capital Structure and Shareholding Pattern on page no. 18 of this Letter of Offer.
- 6.9 Pursuant to the proposed Buy-Back and depending on the response to the Buy-Back, the voting rights of the Promoter in the Company may increase from the existing shareholding of the total equity capital and voting rights of the Company. The Promoter is already in control over the Company and therefore any further increase in the voting rights of the Promoter will not result in any change in control of the Company.
- 6.10 The present Promoter Group shareholding in the Company is at 64.78% Post Buy-Back Promoter Group shareholding in the Company shall increase to 67.91% assuming full Acceptance of Equity Shares in the Buy-Back Offer.
- 6.11 For details with respect to aggregate shareholding of Promoters & Promoter Group and Persons in Control post the Buy-Back, please refer to Paragraph 13.8 of this Letter of Offer.
- 6.12 The Company is not undertaking this Buy-Back so as to delist its Equity Shares or other specified securities from the Stock Exchanges.

7. AUTHORITY FOR THE BUY BACK

- 7.1 The Buy-Back is being undertaken by the Company in accordance with Article 55 of the Articles of Association of the Company, the provisions of Sections 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act, the rules thereunder, the Buy-Back Regulations and the LODR Regulations.
- 7.2 The Buy-Back is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under the applicable law, which may be agreed by the Board and/ or any Committee thereof.
- 7.3 The Board of Directors at their meeting held on November 30, 2018 passed a resolution approving Buy-Back of Equity Shares of the Company and sought approval of Equity Shareholders, by a special resolution, through Postal Ballot Notice dated November 30, 2018. The results of the postal ballot were announced on February 08, 2019.

8. NECESSITY OF THE BUY BACK

- 8.1 Considering the healthy cash flows that the Company has been able to generate consistently, the future projected cash flows of the Company and the anticipated funds required for capital expenditure and working capital to meet the expected future growth of the Company, the Board of the Company is of the view that the proposed Buy-Back will help the Company to achieve the following objectives: (a) Optimize returns to Shareholders; (b) Enhance overall Shareholders value; and (c) Optimize the capital structure.
- 8.2 The proposed Buy-Back is being undertaken, inter-alia, for the following reasons:
- a) The Buy-Back will help the Company to return surplus cash to its Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Shareholders;
 - b) The Buy-Back may help in improving return on equity due to reduction in the equity base, thereby leading to long term increase in Shareholders' value; and
 - c) The Buy-Back is given as an option to the Shareholders holding Equity Shares of the Company, to either (i) choose to participate and get cash in lieu of Equity Shares to be Accepted under the Buy-Back Offer or (ii) choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back Offer, without additional investment.

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

- 9.1 The Buy-Back is not likely to cause any material impact on the profitability / earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. However, assuming that the response to the Buy-Back is to the extent of 100% from all the Eligible Shareholders upto their Buy-Back Entitlement, the funds deployed by the Company towards the Buy-Back would not be exceeding ₹ 55,00,00,000 (Rupees Fifty Five Crores Only) and this will impact the investment income (that could have been earned by the Company), on account of reduced amount of funds available.
- 9.2 All the Promoters have expressed their intention vide letter dated November 28, 2018 not to participate in the Buy-Back.
- 9.3 The Buy-Back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.
- 9.4 All the Directors and key managerial persons of the Company are eligible to participate in the Buy-Back on the same terms as all other Eligible Shareholders. Except as otherwise provided herein, the Directors and Key Managerial Personnel have not indicated whether they intend to participate in the Buy-Back or the number of Equity Shares that they intend to tender in the Buy-Back.
- 9.5 Pursuant to the proposed Buy-Back and depending on the response to the Buy-Back, the voting rights of the Promoter in the Company may increase from the existing shareholding of the total equity capital and voting rights of the Company. The Promoter is already in control over the Company and therefore any further increase in the voting rights of the Promoter will not result in any change in control of the Company or otherwise affect the existing management structure of the Company.
- 9.6 The present Promoter Group shareholding in the Company is at 64.78%. Post Buy-Back Promoter Group shareholding in the Company shall increase to 67.91% assuming full Acceptance of Equity Shares in the Buy-Back Offer.
- 9.7 The present Public Shareholding in the Company is at 35.22%. Post Buy-Back Public Shareholding in the Company shall decrease to 32.09% assuming full Acceptance of Equity Shares in the Buy-Back Offer.
- 9.8 Consequent to the Buy-Back and based on the number of Equity Shares bought back from the Eligible Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, their shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buy-Back.

- 9.9 The debt-equity ratio post Buy-Back will be compliant with the permissible limit of 2:1 prescribed under Section 68 of the Companies Act, 2013 even if the response to the Buy-Back is to the extent of 100% (full Acceptance) of the Buy-Back Offer Size.
- 9.10 In compliance with regulation 24 (i) (b) of the Buy-Back Regulations, the Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-Back.
- 9.11 The Company shall not raise further capital for a period of one year from the closure of Buy-Back Offer except in discharge of its subsisting obligations.
- 9.12 The Promoters or their associates shall not deal in the Equity Shares of the Company including off market transaction or inter-se transfer amongst Promoters / Promoter Group for the period between the date of passing of the special resolution through postal ballot i.e. February 07, 2019 and the date of the closure of the Buy-Back in accordance with the Buy-Back Regulations.
- 9.13 Salient financial parameters consequent to the Buy-Back based on the latest audited results as on March 31, 2018 are as under:

Parameters (based on audited financial statements for year ended March 31,2018)	Pre Buy-Back	Post Buy-Back (Assuming Full Acceptance)
Net worth (₹ in Lakhs)^	52590.79	47090.80
Return on Net worth (%)^	11.36%	12.68%
Earnings Per Share/ EPS (₹)	27.48	28.81
Book Value per Share (₹)	242.00	227.14
Price to Earning (P/E)	17.07	16.28
Total Debt/ Equity Ratio	0.11	0.12

^ Net worth/Equity excludes CSR reserves

Notes:

- Pre and Post Buy-Back calculations are based on audited financial statements as on March 31, 2018. The post Buy-Back numbers are calculated by reducing the net worth by the proposed Buy-Back amount (assuming full Acceptance) without factoring in any other impact to the net worth. Simultaneously, outstanding Equity Shares (for calculating the EPS) have been calculated by reducing the Maximum Number of Equity Shares to be bought back from the pre-Buy-Back number of shares.
- Net worth is calculated as aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Return on Net Worth = Profit After Tax (PAT) / Net Worth.
- EPS = PAT / Weighted Average No. of Equity Shares
- PAT is Profit After Tax before Other Comprehensive Income.
- P/E ratio is calculated as closing market price of the Equity Share on NSE on March 28, 2018 (being the last trading day of the relevant period) i.e. ₹ 469, divided by EPS for the relevant period on pre and post Buy-Back basis.
- Share price used to calculate P/E has been taken as closing price of March 28, 2018 on NSE i.e. ₹ 469.00
- Book Value per Share = Net Worth / Total Outstanding Shares as on March 31, 2018
- Debt Equity Ratio = Total Debt / Net Worth

10. BUY-BACK PRICE AND BASIS OF CALCULATING THE BUY-BACK PRICE

- 10.1 The Buy-Back Price of ₹ 550 (Rupees Five Hundred Fifty Only) per Equity Share has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on NSE and BSE, where the Equity Shares are listed, book value of Shares, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per share.
- 10.2 Premium of 47.37% and 45.60% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back.
- 10.3 Premium of 58.92% and 58.13% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-Back.

- 10.4 For trends in the market price of the Equity Shares, please refer to Paragraph 16 of this Letter of Offer.
- 10.5 The Buy-Back Price is at premium of about 127.27% to the Company's book value per Equity Share, which pre Buy-Back, as on March 31, 2018 is ₹ 242.00, based on the assumption mentioned in notes to table on salient financial parameters in paragraph 9.15 of this Letter of Offer.
- 10.6 The earning per share of the Company as on March 31, 2018 was ₹ 27.48.
- 10.7 The return of net-worth of the Company as on March 31, 2018 was 11.36%.

11. SOURCES OF FUNDS FOR THE BUY-BACK

- 11.1 Assuming full Acceptance, the funds that would be utilized by the Company for the purpose of the Buy-Back would be ₹ 55,00,00,000/- (Rupees Fifty Five Crores Only) excluding the transaction cost.
- 11.2 The funds for the implementation of the Buy-Back will be financed out of internal accruals of the Company. The ratio of the aggregate of secured and unsecured debts owned by the Company shall not be more than twice the paid-up Equity Share Capital and free reserves after the Buy-Back.

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

- 12.1 In accordance with Regulation 9(xi) of the Buy-Back Regulations, an escrow agreement ("**Escrow Agreement**") will be entered into amongst the Company, the Manager and Escrow Agent on February 04, 2019.
- 12.2 In accordance with the Buy-Back Regulations and pursuant to the Escrow Agreement, the Company will open an Escrow Account in the name and style "**MONTE CARLO FASHIONS – BUY BACK ESCROW ACCOUNT**" with the Escrow Agent, namely, ICICI Bank Limited from its bank branch located at 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020. Bank Guarantee has been issued by State Bank of India from its bank branch located at SCB, Millerganj, Ludhiana, Pahwa Hospital Complex, Millenganj, Ludhiana – 141 003 in favor of the Manager for an amount of ₹ 13.75 Crores (Rupees Thirteen Crores Seventy Five Lakhs Only) ("**Bank Guarantee**"), being 25% of the total consideration payable by the Company under the Buy-Back, assuming full Acceptance. The Bank Guarantee is valid from January 31, 2019 till May 17, 2019 (30 days after the closure of the Buy-Back Offer). The Bank guarantee availed from the Bank is not an associate of or group of the Company. Further, the Company has deposited cash of ₹ 55,00,000 (Rupees Fifty Five Lakhs Only) in the Escrow Account, which is 1% of the total consideration payable by the Company under the Buy-Back, assuming full Acceptance with Escrow Agent, in compliance with the provisions of Buy-Back Regulations. The Manager has been empowered to operate the Escrow Account in accordance with the Buy-Back Regulations.
- 12.3 Based on the certificate provided by M/s. YAPL & Co., Chartered Accountants, the Manager to the Buy-Back confirms that they are satisfied that firm arrangements for fulfilling the obligations under the Buy-Back are in place and that the Company has the ability to implement the Buy-Back in accordance with the Buy-Back Regulations.
- 12.4 The Manager to the Buy-Back Offer has been empowered to operate the Escrow Account in accordance with the Buy-Back Regulations.
- 12.5 The Escrow Agent and Banker issued Bank Guarantee is not an associate or part of the group of the Company.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The capital structure of the Company as on the date of the Public Announcement i.e. February 08, 2019 is as follows:

(₹ in Lakhs)

Sr. No	Particulars	Pre Buy-Back
A	Authorized Share Capital	
	2,50,00,000 Equity Shares of ₹ 10 each	2,500.00
	Total	2,500.00
B	Issued, Subscribed and Paid-Up Share Capital	
	2,17,32,064 Equity Shares of ₹ 10 each	2,173.21

- 13.2 Assuming full Acceptance in the Buy-Back, the capital structure of the Company post Buy-Back would be as follows:

Sr. No.	Particulars	Post Buy-Back
A	Authorized Share Capital	
	2,50,00,000 Equity Shares of ₹ 10 each	2,500.00
	Total	2,500.00
B	Issued, Subscribed and Paid-Up Share Capital	
	2,07,32,064 Equity Shares of ₹ 10 each	2,073.21

- 13.3 The Company has not undertaken any Buy-Back in the last 3 (three) years.
- 13.4 There are no partly paid up Equity Shares or calls in arrears or preference shares and it does not have any convertible securities as on the date of this Letter of Offer.
- 13.5 The Company confirms that it shall not issue, including through a bonus issue, Equity Shares or any other specified securities, until the closing of the Buy-back.
- 13.6 There are no locked-in Equity Shares.
- 13.7 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act.
- 13.8 The shareholding pattern of the Company (i) Pre Buy-Back, taken as on the date of Record date; and (ii) after completion of the Buy-Back is set out below:

Category	Pre Buy-Back		Post Buy-Back ⁽¹⁾	
	Number of Equity Shares	% of Shareholding	Number of Equity Shares	% of Shareholding
Promoter and Promoter Group	1,40,78,979	64.78	1,40,78,979	67.91
Foreign Investors (including Non Resident Indians / FIIs / FPIs / Foreign Nationals / OCBs)	33,05,378	15.21	66,53,085	32.09
Financial Institutions / Banks and Mutual Funds Promoted by Banks / Institutions	1,73,022	0.80		
Others (Public, Bodies Corporate, etc.,)	41,74,685	19.21		
Total	2,17,32,064	100.00	2,07,32,064	100.00

⁽¹⁾ Assuming response to the Buy-Back is to the extent of 100% (full Acceptance) from all the Equity Shareholders of the Equity Shares up to their Buy-Back Entitlement.

- 13.9 The aggregate shareholding of (i) the Promoters/ Promoter Companies; (ii) Directors of the Promoter Companies; and (iii) the Directors of the Company as on the date of Postal Ballot Notice i.e. November 30, 2018 and date of Public Announcement i.e. February 08, 2019:

i. *Shareholding of Promoter and Person in Control of the Company:*

Sr. No	Name	No. of Shares held	Percentage
1.	Sidhant and Mannat Company Limited	52,29,714	24.06%
2.	Simran and Shanaya Company Limited	44,04,000	20.26%
3.	Nahar Capital and Financial Services Limited	16,51,215	7.60%
4.	Nagdevi Trading & Investment Co. Limited	11,85,150	5.45%
5.	Vanaik Investors Limited	4,09,273	1.88%
6.	Ms. Tanvi Oswal	1,75,000	0.81%
7.	Sh. Kamal Oswal	1,09,112	0.50%
8.	Sh. Jawahar Lal Oswal	1,11,359	0.51%
9.	Sh. Dinesh Oswal	1,08,623	0.50%
10.	Smt. Abhilash Oswal	1,07,583	0.50%
11.	Vanaik Spinning Mills Limited	95,842	0.44%
12.	Sh. Sambhav Oswal	87,500	0.40%
13.	Oswal Woolen Mills Limited	75,642	0.35%
14.	Sh. Abhinav Oswal	70,000	0.32%
15.	Sh. Rishabh Oswal	70,000	0.32%
16.	Atam Vallabh Financiers Limited	67,106	0.31%
17.	Smt. Manisha Oswal	52,500	0.24%
18.	Vardhman Investments Limited	49,718	0.23%
19.	Smt. Ritu Oswal	17,500	0.08%
20.	Smt. Monica Oswal	1,050	0.00%
21.	Smt. Ruchika Oswal	1,050	0.00%
22.	Neha Credit & Investment Private Limited	42	0.00%

For details with respect to Promoter's shareholding post Buy-Back please refer to paragraph 13.8 under the heading Capital Structure and Shareholding Pattern on page 17 of this Letter of Offer.

ii. *Aggregate Shareholding of Directors of the Company:*

Sr. No	Name	No. of Shares held	Percentage
1.	Sh. Jawahar Lal Oswal	1,11,359	0.51%
2.	Sh. Sandeep Jain	344	0.00%
3.	Smt. Monica Oswal	1,050	0.00%
4.	Smt. Ruchika Oswal	1,050	0.00%
5.	Sh. Dinesh Gogna	1,000	0.00%
6.	Sh. Rishabh Oswal	70,000	0.32%

Except as stated above, none of the Directors of the Company holds any Equity Shares in the Company.

- 13.10 The aggregate number of shares or other specified securities of the Company purchased or sold by (i) Promoters, (ii) Persons in Control of the Company, (iii) directors of the Promoter Company, (iv) directors during a period of 12 (twelve) months preceding the date of the Public Announcement i.e. February 08, 2019, together with the details of maximum and minimum price paid for such transaction are given below:

Name of Promoter/ Promoter Group/ Director/ Directors of the Promoter Company	Nature of Transaction	No. of Equity Shares purchased/ sold	Date of Transaction	Maximum Price (₹)*	Minimum Price (₹)*
Oswal Woollen Mills Limited	Buy	6023	18.07.2018	400.80	399.75
	Buy	8508	19.07.2018	398.80	395.79
	Buy	2938	20.07.2018	398.60	390.58
Sh. Sandeep Jain	Buy	500	24.07.2018	397.00	394.00
	Sell	50	30.08.2018	441.00	441.00
	Sell	30	03.09.2018	444.00	444.00
	Sell	76	04.09.2018	449.00	442.00
Sh. Jawahar Lal Oswal	Gift	2572	30.10.2018	N.A.	N.A.

* Excluding Brokerage and other transaction cost.

14. BRIEF INFORMATION OF THE COMPANY

I. History of the Company

Monte Carlo Fashions Limited was incorporated on July 1, 2008 in Ludhiana, Punjab, India under the Companies Act, 1956, as amended, as a public limited company under the name 'Monte Carlo Fashions Limited' with the Registrar of Companies of Punjab, Chandigarh and Himachal Pradesh (the "RoC"). The Company received its certificate for commencement of business on July 28, 2008. The Corporate Identity Number of the Company is L51494PB2008PLC032059. The registered office address of the Company is B-XXIX-106, G.T. Road, Sherpur, Ludhiana – 141 003, India.

The Company was incorporated as a subsidiary of Oswal Woollen Mills Limited ("OWML"). Subsequently, pursuant to the scheme of arrangement and demerger with OWML as approved by the Punjab and Haryana High Court, through an order dated May 20, 2011, the business carried out by OWML, comprising the processes of manufacturing, buying, selling, and dealing in knitted and hosiery garments, woolen garments, cotton garments, franchisee network and other businesses were transferred from OWML to our Company, with effect from April 1, 2011 and our Company ceased to be a subsidiary of OWML.

The Equity Shares of the Company are listed on the BSE (Scrip Code: 538836) and the NSE (Symbol: MONTECARLO) and are permitted to trade under the ISIN: INE950M01013. The Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

II. Products of the Company and details of its Infrastructural set-up

The Company has a comprehensive range of product across woolen, cotton & cotton blended, knitted and woven apparels for men, women, kids and home furnishing under the umbrella brand 'Monte Carlo'.

Overview of product categories

- "Luxuria" is the premium range for menswear.
- "Denim" is the exclusive range for denim apparels.
- "Alpha" is exclusive range for womenswear.
- "Tweens" is exclusive range for kidswear.

- e. “Cloak and Decker” is the economy range for menswear.
 f. “Rock.It” is the premium range for sports and fitness wear.

The Company has three (3) manufacturing facilities in Ludiana, Punjab for woolen and cotton apparels.

III. Growth of Business

For the six month period ended September 30, 2018, financial year ended March 31, 2018, March 31, 2017 and March 31, 2016, the Company recorded total income of ₹ 19,194.90 Lakhs, ₹ 66,407.06 Lakhs, ₹ 60,931.27 Lakhs and ₹ 63,544.02 Lakhs respectively, and profit after tax of ₹ 1,316.62 Lakhs, ₹ 5,972.14 Lakhs, ₹ 4,415.64 Lakhs and ₹ 5,893.84 Lakhs respectively.

Source: The financial information for the six month period ended September 30, 2018, financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 have been extracted from the audited financial statements for each of such respective periods.

The details of changes in the share capital of the Company since incorporation as certified by the Company is as follows:

Date of Issue / Allotment	Nature of Allotment	No. of Equity Shares	Face Value (₹)	Cumulative No. of Equity Shares	Cumulative Equity Share Capital (₹)
July 1, 2008	Subscription to Memorandum of Association	50,000	10	50,000	500,000
August 10, 2011	Allotment pursuant to the scheme of arrangement and demerger with OWML ⁽¹⁾	8,665,000	10	8,715,000	87,150,000
September 5, 2011	Bonus Issue in the ratio of 1:1	8,715,000	10	17,430,000	174,300,000
September 30, 2011	Preferential Allotment	1,428,500	10	18,858,500	188,585,000
June 5, 2012	Preferential Allotment	2,873,564	10	21,732,064	217,320,640

⁽¹⁾Allotment of 8,665,000 Equity Shares to the shareholders of OWML in the ratio of 35 Equity Shares of the Company for every 100 equity shares held in OWML pursuant to the scheme of arrangement and demerger with OWML as approved by the Punjab and Haryana High Court, through an order dated May 20, 2011.

IV. The Details of the Board of Directors of the Company as on date of this Letter of Offer are as follows:

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment / Reappointment	Other Directorships
1.	Sh. Jawahar Lal Oswal Qualification: Bachelor's degree in Commerce Age: 75 years Occupation: Industrialist DIN: 00463866	Chairman and Managing Director	August 10, 2011	a. Nahar Industrial Enterprises Limited b. Nahar Spinning Mills Limited c. Nahar Poly Films Limited d. Nahar Capital and Financial Services Limited e. Oswal Woollen Mills Limited f. Sankheshwar Holding Company Limited g. Nagdevi Trading and Investment Company Limited h. Ruchika Growth Fund Private Limited i. Monica Growth Fund Private Limited j. Abhilash Growth Fund Private Limited k. Nahar Growth Fund Private Limited l. Neha Credit and Investment Private Limited m. White Tiger Breweries and Distilleries Limited n. J.L. Growth Fund Limited

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment / Reappointment	Other Directorships
2.	Sh. Sandeep Jain Qualification: Bachelor's degree in Pharmacy and diploma in Export Management Age:47 years Occupation: Service DIN: 00565760	Executive Director	August 01, 2012	a. Vanaik Spinning Mills Limited b. Oswal Denims Limited c. Oswal Woollen Mills Ltd
3.	Smt. Monica Oswal Qualification: Bachelor's degree in Commerce Age:47 years Occupation: Service DIN:00566052	Executive Director	October 30, 2010	a. Oswal Leasing Limited b. Sidhant and Mannat Company Limited c. Simran and Shanaya Company Limited d. Girnar Investment Ltd e. Atam Vallabh Financiers Limited f. Vardhman Investments Limited g. Monica Growth Fund Private Limited
4.	Smt. Ruchika Oswal Qualification: Bachelor's degree in Commerce Age: 47 years Occupation: Service DIN: 00565979	Executive Director	October 30, 2010	a. Kovalam Investment and Trading Company Limited b. Sidhant and Mannat Company Limited c. Simran and Shanaya Company Limited d. Suvrat Trading Co. Limited e. Girnar Investment Ltd f. Ruchika Growth Fund Private Limited
5.	Sh. Rishabh Oswal Qualification Bachelor's of Arts (Hons.) in Management Studies and PGP MFAB, Executive Master of Business Administration Age: 27 years Occupation: Service DIN: 03610853	Executive Director	May 25, 2018	a. Oswal Denims Limited b. Abrotex Apparels Private Limited c. Oswal Woollen Mills Ltd d. Cotton County Retail Limited e. Hug Foods Private Limited f. Palam Motels Limited
6.	Sh. Dinesh Gogna Qualification: Bachelor's degree in Law Age: 65 years Occupation: Professional DIN: 00498670	Non-Executive Director	July 01, 2008	a. Nahar Industrial Enterprises Limited b. Nahar Spinning Mills Limited c. Nahar Poly Films Limited d. Nahar Capital and Financial Services Limited e. Oswal Leasing Limited f. Oswal Denims Limited g. Oswal Woollen Mills Limited h. Cotton County Retail Limited i. Girnar Investment Limited
7.	Sh. Paurush Roy Qualification: Bachelor's degree in Civil Engineering and Post Graduate diploma in Management Age: 44 years Occupation: Professional DIN: 03038347	Non-Executive Independent Director	June 05, 2012	a. Samara Alternate Investment Management LLP b. Sagista Realty Advisors Private Limited c. Thriveni Earthmovers Private Limited d. Samara India Advisors Private Limited e. Oaknet Healthcare Private Limited f. Witzig Advisory Services Private Limited g. Cogencis Information Services Limited

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment / Reappointment	Other Directorships
8.	Sh. Ajit Singh Chatha Qualification: B.E (Hons. in Electrical Eng.) Age: 83 years Occupation: IAS (Retired) DIN: 02289613	Non-Executive Independent Director	June 27, 2014	a. Rampur Resorts LLP b. LM Digital LLP c. Nahar Industrial Enterprises Limited d. Indian Acrylics Limited e. J. Kumar Infraprojects Limited f. Triveni Projects and Resorts Private Limited g. Cotton County Retail Limited h. WWICS Global Law Offices Private Limited
9.	Dr. Suresh Kumar Singla Qualification: Bachelor's degree in Science (Mathematics) and a Master's degree in Economics, Master's degree of Business Administration, Doctor of Philosophy, Age: 68 years Occupation: Retired Professor DIN: 00403423	Non-Executive Independent Director	June 27, 2014	a. Nahar Industrial Enterprises Limited b. Nahar Spinning Mills Limited c. Nahar Poly Films Limited d. Nahar Capital and Financial Services Limited e. Oswal Woollen Mill Limited
10.	Dr. Manisha Gupta Qualification: Bachelor's degree in Commerce, Master's degree in Business Administration and Ph.D in Management Age: 39 years Occupation: Professor DIN: 06910242	Non-Executive Independent Director	June 27, 2014	a. Nahar Spinning Mills Limited b. Nahar Poly Films Limited c. Nahar Capital and Financial Services Limited d. Oswal Woollen Mills Limited
11.	Sh. Alok Kumar Misra Qualification: Bachelor's degree in Science, Master's degree in Science (Statistics), Certified Associate of Indian Institute of Bankers, Fellow of the Certified Institute of Bankers of Scotland Associate of Australasian Institute of Banking and Finance Age: 66 years Occupation: Retired Banker DIN: 00163959	Non-Executive Independent Director	August 09, 2016	a. The Investment Trust of India Limited b. Indiabulls Ventures Limited c. Infomerics Valuation and Rating Private Limited d. Nitstone Finserv Private Limited e. Indiabulls Life Insurance Company Limited f. ITI Asset Management Limited g. Indiabulls Consumer Finance Limited h. Earth Water Limited i. Nayati Healthcare & Research Private Limited

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment / Reappointment	Other Directorships
12.	Dr. Amrik Singh Sohi Qualification: Master of Science & Doctor of Philosophy Age: 71 years Occupation: Consultant DIN: 03575022	Non-Executive Independent Director	February 01, 2016	a. Nahar Industrial Enterprises Limited b. Nahar Spinning Mills Limited c. Nahar Poly Films Limited d. Nahar Capital and Financial Services Limited

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

Name of Director	Appointment / Resignation	Effective Date	Reasons
Sh. Alok Kumar Misra	Appointment	August 09, 2016	Appointed as Independent Director
Dr. Sailen Kumar Chaudhuri	Cessation	February 07, 2018	Due to pre-occupancy and person circumstances
Dr. Yash Paul Sachdeva	Cessation	May 25, 2018	Due to pre-occupancy and person circumstances
Sh. Rishabh Oswal	Appointment	May 25, 2018	Appointed as Executive Director

VI. The Buy-Back will not result in any benefit to any directors of the Company/ Promoter / Person in Control of the Company/ group companies except to the extent of the change in their percentage shareholding as per the response received in the Buy-Back, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buy-Back.

VII. The Equity Shares of the Company are listed on NSE and BSE.

BSE Code: 538836

NSE Symbol: MONTECARLO

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient financial information of the Company, as extracted from the audited statements for the last three financial year ended March 31, 2018, March 31, 2017 and March 31, 2016 and the unaudited financial results (limited reviewed by auditors) for six months ended September 30, 2018 is given below:

(Figures in Rupees Lakhs)

Particulars	6 Months period ended (Un-audited)		12 Months period ended March 31 (Audited)	
	September 30, 2018	2018	2017	2016*
Revenue from Operations	18,503.58	64,639.05	58,538.08	62,153.05
Other Income	691.32	1,768.01	2,393.19	1,390.97
Total Income	19,194.90	66,407.06	60,931.27	63,544.02
Total Expenses (excluding finance cost, depreciation & amortization)	15,699.16	54,553.02	50,811.71	49,982.62
Finance Cost	404.47	771.62	1,174.58	1,624.06
Depreciation and amortization expenses	932.95	2,096.28	2,473.69	2,927.10
Profit before tax	2,158.32	8,986.14	6,471.29	9,010.24
Provision for tax (including Deferred Tax)	841.70	3,014.00	2,055.65	3,116.40
Profit/(Loss) after tax	1,316.62	5,972.14	4,415.64	5,893.84
Equity Share Capital (A)	2,173.21	2,173.21	2,173.21	2,173.21
Other Equity (B) ^	48,599.25	50,417.58	47,269.35	42,432.74
Networth ⁽¹⁾ (A)+(B)	50,772.46	52,590.79	49,442.56	44,605.95
Total Debt (Excluding working capital loans)	1,420.57	1,538.38	3,104.85	6,873.03

Notes:

*As per IGAAP

^ Net worth/Equity excludes CSR reserves

Notes:

1. Net worth is calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited financial statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

15.2 Financial Ratios for the last three financial years and six months ended September 30, 2018 are as under:

Particulars	6 Months period ended (Un-audited) ¹	12 Months period ended March 31 (Audited)		
	September 30, 2018	2018	2017	2016*
Earnings Per Share/ EPS (₹) ²	6.06	27.48	20.32	27.12
Debt Equity Ratio ³	0.29	0.11	0.13	0.22
Book Value per Share (₹) ⁴	233.63	242.00	227.51	205.25
Return on Net worth ⁵ (%)	2.59%	11.36%	8.93%	13.21%

*As per IGAAP

[^] Net worth/Equity excludes CSR reserves

Notes:

1. Not annualized
2. $EPS = PAT / \text{Weighted Average No. of Shares}$
3. $\text{Debt Equity Ratio} = \text{Total Debt} / \text{Net Worth at the end of relevant period}$
4. $\text{Book Value per Share} = \text{Net Worth} / \text{Total Outstanding Equity Shares as at end of relevant period}$
5. $\text{Return on Net Worth} = \text{Profit After Tax (PAT)} / \text{Net Worth}$, whereby the net worth considered is the closing balance at respective financial year end on the basis of audited IND-AS financial statements as on March 31, 2018. PAT considered in calculation of return on net worth for the year ended 31.03.2018 & 31.03.2017 is profit for the year before Other Comprehensive Income on the basis of audited Ind-AS financial statements as on March 31, 2018 & for the year ended 31.03.2016 is as per the audited IGAAP financial statements for the year ended 31st March '2016.
6. Net worth is calculated as aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

15.3. The Company shall comply with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Act and the Share Capital Rules, as may be applicable to the Buy-back.

16. STOCK MARKET DATA

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

16.2 The high, low and average market prices in preceding three (3) financial years and the monthly high, low and average market prices for the six (6) months preceding the date of publication of Public Announcement and the corresponding volumes on NSE (stock exchange where Company's shares are most frequently traded) are as follows:

Period	High (₹)~	Date of High	Number of Shares traded on that date	Low (₹) @	Date of Low	Number of Shares traded on that date	Average Price (₹) #	Total Volume traded in the period (Shares)
PRECEDING 3 YEARS								
Financial Year 2015-16	602.00	May 05, 2015	2,51,255	337.05	March 29, 2016	28,075	479.38	58,92,155
Financial Year 2016-17	510.00	October 26, 2016	65,774	349.05	April 01, 2016	11,234	420.64	53,30,017
Financial Year 2017-18	664.00	January 10, 2018	4,32,733	390.35	April 20, 2017	15,505	510.95	1,01,07,236

Period	High (₹)~	Date of High	Number of Shares traded on that date	Low (₹) @	Date of Low	Number of Shares traded on that date	Average Price (₹) #	Total Volume traded in the period (Shares)
PRECEDING 6 MONTHS								
August 2018	453.65	August 10, 2018	12,262	413.00	August 01, 2018	9,370	433.37	4,61,522
September 2018	449.00	September 04, 2018	4,839	384.70	September 28, 2018	6,640	421.52	2,74,798
October 2018	405.00	October 03, 2018	18,241	327.05	October 11, 2018	25,382	358.87	4,00,853
November 2018	393.50	November 30, 2018	3,25,604	339.00	November 16, 2018	12,232	352.69	17,54,031
December 2018	388.50	December 03, 2018	1,94,828	371.10	December 10, 2018	26,460	379.86	6,76,885
January 2019	387.8	January 11, 2019	72,869	363.05	28 January, 2019	9,121	378.39	3,13,142

(Source: www.nseindia.com)

~High is the highest price recorded for the equity share of the Company during the said period

@ Low is the lowest price recorded for the equity share of the Company during the said period

Average Price is the arithmetical average of closing prices during the said period

- 16.3 The high, low and average market prices in preceding three (3) financial years and the monthly high, low and average market prices for the six (6) months preceding the date of publication of Public Announcement and the corresponding volumes on BSE are as follows:

Period	High (₹)~	Date of High	Number of Shares traded on that date	Low (₹) @	Date of Low	Number of Shares traded on that date	Average Price (₹) #	Total Volume traded in the period (Shares)
PRECEDING 3 YEARS								
Financial Year 2015-16	602.00	May 05, 2015	87,302	337.00	March 30, 2016	2,511	479.16	19,83,186
Financial Year 2016-17	510.00	October 26, 2016	16,237	349.10	April 01, 2016	2,236	420.51	10,92,718
Financial Year 2017-18	664.00	January 10, 2018	39,977	388.00	April 17, 2017	2,659	510.66	22,16,224
PRECEDING 6 MONTHS								
August 2018	454.00	August 09, 2018	2,553	414.25	August 03, 2018	1,954	432.21	37,366
September 2018	448.00	September 03, 2018	536	386.60	September 28, 2018	1,068	421.64	13,827
October 2018	394.00	October 04, 2018	1,445	328.10	October 11, 2018	950	358.70	68,367
November 2018	393.00	November 30, 2018	91,046	340.00	November 20, 2018	7,942	353.20	205,409
December 2018	390.00	December 04, 2018	4,484	370.05	December 10, 2018	2,891	380.21	72,024
January 2019	389.25	January 10, 2019	1,681	362.00	January 29, 2019	1,451	378.88	36,362

(Source: www.bseindia.com)

~High is the highest price recorded for the equity share of the Company during the said period

@ Low is the lowest price recorded for the equity share of the Company during the said period

Average Price is the arithmetical average of closing prices during the said period

- 16.4 The closing market price of the Equity Shares on BSE and NSE as on November 29, 2018, being the working day previous to the day the Board approved the proposal for Buy-Back, was ₹ 378.80 and ₹ 379.95 respectively.
- 16.5 The closing market price of the Equity Shares on BSE and NSE as on December 3, 2018, being the working day after to the day of resolution of the Board approving the proposal for Buy-Back, was ₹ 384.10 and ₹ 384.30 respectively.

17. DETAILS OF THE STATUTORY APPROVALS

- 17.1 The Buy-Back has been approved by the Board of Directors in its meeting held on November 30, 2018 and by Shareholders by a special resolution through postal ballot, the results of which were declared on February 08, 2019.
- 17.2 The Buy-Back is subject to approvals, if any, required under the provisions of the Companies Act, the Buy Back Regulations, and applicable rules and regulations as specified by RBI under FEMA and/ or such other applicable rules and regulations for the time being in force.
- 17.3 Buy-Back from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Indians (“NRI”) must obtain all applicable approvals required to tender the Equity Shares held by them in this Buy-Back (including the approval from the RBI). It is the obligation of such Non-Resident Shareholders and NRI Shareholders, to determine the applicability of such approvals, obtain such approvals and submit such approvals along with the Tender Form, so as to enable them to tender Equity Shares in the Buy-Back and for the Company to purchase such Equity Shares, tendered.
- 17.4 Erstwhile Overseas Corporate Bodies (“OCBs”) are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buy-Back Offer.
- 17.5 The Company shall not Accept Equity Shares from Non-Resident Shareholders, NRI and OCBs in respect of whom such applicable statutory or regulatory approval is required and copies of such approvals are not submitted.
- 17.6 The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not to Accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required and the copies of such approvals are not submitted.
- 17.7 As on date, there are no other statutory or regulatory approval required to implement the Buy-Back other than those indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buy-Back will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory/ regulatory approvals is delayed, changes to the proposed timetable of the Buy-Back, if any, shall be intimated to Stock Exchanges.

18. DETAILS OF THE REGISTRAR TO THE BUY-BACK AND COLLECTION CENTRES

18.1 REGISTRAR TO THE BUY BACK:



Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Telephone: +91 22 4918 6200

Facsimile: +91 22 4918 6195

Email: mcfashions.buyback@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

In case of any queries, the Shareholders may contact the Registrar to the Buy-Back during office hours i.e., 10:00 a.m. to 5:00 p.m. on all working days except Saturday, Sunday and public holidays.

18.2 COLLECTION CENTRES:

Eligible Shareholders who wish to tender their Equity Shares, are required to submit their form(s) with their broker for bidding. After entering a valid bid, the Seller Members/Shareholder along with the requisite documents to be sent either by registered post / courier to the Registrar to the Buy-Back, superscribing the envelope as “**Monte Carlo Buy-Back 2019**”, or hand deliver the same to the Registrar at the address mentioned above, the same are received not later than two (2) days from the Buy-Back Closing Date i.e., Thursday, April 04, 2019 by 5:00 p.m. Eligible Shareholders holding Equity Shares in the dematerialized form are requested to refer to Paragraph 20.19.

THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY-BACK.

EQUITY SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE SUCH DOCUMENTS ARE LIABLE TO BE REJECTED.

19. PROCESS AND METHODOLOGY FOR THE BUY-BACK

19.1 The Company proposes to Buy-Back upto 10,00,000 (Ten Lakhs) fully paid-up Equity Shares from the Eligible Shareholders as on the Record Date, on a proportionate basis, through Tender Offer at a price of ₹ 550/- (Rupees Five Hundred and Fifty Only) per Equity Share, payable in cash for an aggregate amount upto ₹ 55,00,00,000/- (Rupees Fifty Five Crores Only), excluding transaction cost. The maximum number of Equity Shares proposed to be bought back represents 4.60% of the total paid-up Equity Share capital of the Company as at March 31, 2018. The Buy-Back is in accordance with the provisions of Article 55 of the Articles of Association of the Company, Sections 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act and the Rules and Regulation 4(iv)(a) of the Buy-Back Regulations and other applicable provisions contained in the Buy-Back Regulations and subject to such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and/ or regulatory authorities, including but not limited to SEBI, BSE and NSE. The Buy-Back Size does not exceed 25% of the fully paid-up Equity Share capital and free reserves as per the audited financial statements of the Company for the year ended March 31, 2018.

The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buy-Back and accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buy-Back.

19.2 The aggregate shareholding of the Promoter as at the date of the Public Announcement is 1,40,78,979 (One Crores Forty Lakhs Seventy Eight Thousand Nine Hundred Seventy Nine) Equity Shares which represents 64.78% of the total subscribed and paid-up equity share capital of the Company as on the date of the PA. Promoter and/or the Promoter Group have expressed their intention vide letter dated November 28, 2018 about their non participation in the Buy-Back.

19.3 Assuming response to the Buy-Back is to the extent of 100% (full Acceptance) from all the Eligible Shareholders upto their Buy-Back Entitlement, the post Buy-Back shareholding of the Promoter of the Company will increase from 64.78% as on the date of the PA to 67.91% of the post Buy-Back Equity Share capital.

19.4 Record Date and ratio of Buy-Back as per the Buy-Back Entitlement in each Category.

19.4.1 The Board vide its resolution dated February 08, 2019 announced Friday, February 22, 2019 as Record Date for the purpose of determining the Buy-Back Entitlement and the names of the Eligible Shareholders who are eligible to participate in the Buy-Back.

19.4.2 The Equity Shares proposed to be bought back as a part of this Buy-Back are divided into two categories:

- i. Reserved category for Small Shareholders (“**Reserved Category**”); and
- ii. General Category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)

19.4.3 As defined in the Buy-Back Regulations, a “Small Shareholder” means a shareholder, who holds Equity Shares having market value, on the basis of closing price of the shares on the recognized stock exchange in which the highest trading volume in respect of such Equity Shares, as on the Record Date, is not more than ₹ 2,00,000/- (Rupees Two Lakhs Only). As on Record Date, the volume of Equity Shares traded on NSE was 15,381 Equity Shares and on BSE was 1,045 Equity Shares. Accordingly, NSE being the exchange with highest trading volume, the closing price was ₹ 357.30 and hence all Eligible Sellers holding not more than 559 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buy-Back Offer.

19.4.4 Based on the above definition, there are 41,182 Small Shareholders in the Company with aggregate shareholding of 22,93,383 Equity Shares as on the Record Date, which constitutes 10.55% of the outstanding number of Equity Shares of the Company as on Record Date and 229.34% of the maximum number of Equity Shares which the Company proposes to buy back as a part of this Buy-Back.

19.4.5 In compliance with Regulation 6 of the Buy-Back Regulations, the reservation for the Small Shareholders, will be higher of:

- (i) Fifteen percent of the number of Equity Shares which the Company proposes to Buy-Back i.e., 15% of 1,000,000 (Ten Lakhs) Equity Shares which works out to 1,50,000 (One Lakh Fifty Thousand) Equity Shares; or
- (ii) The number of Equity Shares entitled as per their shareholding as on Record Date (i.e., $(22,93,383 / 2,17,32,064) \times 1,000,000$) which works out to be 1,05,530 Equity Shares.

All the outstanding Equity Shares have been used for computing the Buy-Back Entitlement of Small Shareholders.

Based on the above and in accordance with Regulation 6 of the Buy Back Regulations, 1,50,000 Equity Shares have been reserved for Small Shareholders. Accordingly, General Category shall consist of 8,50,000 Equity Shares.

19.4.6 In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive higher entitlement under Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common Permanent Account Number (“PAN”) shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buy-Back. In case of joint shareholding, the Equity Shares held in cases where the sequence of PANs of the joint Shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical Shares where sequence of PAN is identical and where the PANs of all joint Shareholders are not available, the Registrar will check the sequence of the names of the joint Shareholders and club together the Equity Shares held in such cases where the sequence of the PANs and the name of the joint Shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN shall not 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 different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of ‘clearing members’ or ‘corporate body margin account’ or ‘corporate body-broker’ as per the beneficial position data as on the 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.

19.4.7 Based on the above Buy-Back Entitlements, the ratio of Buy-Back for both categories is decided as below:

Category of Shareholders	Ratio of Buy-Back
Reserved category for Small Shareholders	10 Equity Shares out of every 153 fully paid-up Equity Shares held on the Record Date
General category for all other Eligible Shareholders	8 Equity Shares out of every 183 fully paid-up Equity Shares held on the Record Date

Note: The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 6.5405560% and General category for all other Eligible Shareholders is 4.3727246%.

19.4.8 Fractional Entitlements:

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold 15 or less Equity Share as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buy-Back Offer and will be given preference in the Acceptance of one (1) Equity Share, if such Small Shareholders have tendered Additional Equity Shares. The Company shall make best efforts subject to Buy-Back Regulations in Accepting Equity Shares tendered by such Eligible Shareholders to the extent possible and permissible.

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

Subject to the provisions contained in the Letter of Offer, the Company will Accept the Equity Shares tendered in the Buy-Back by the Small Shareholders in the Reserved Category in the following order of priority:

- (a) Full Acceptance (i.e. 100%) of Equity Shares from Small Shareholders in the Reserved Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in the paragraph (a) above, in case, there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one (1) Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- (c) Post the Acceptance as described in paragraphs (a) and (b) above, in case, there are any validly tendered unaccepted Equity Shares in the Reserved Category Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be Accepted in a proportionate manner and the Acceptances shall be made in accordance with the Buy Back Regulations, i.e. valid Acceptances per Eligible Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Eligible Seller divided by the total Reserved Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one (1) Equity Share has been Accepted in accordance with paragraph (b) above, shall be reduced by one (1).

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

19.4.10 Basis of Acceptance of Shares validly tendered in the General Category:

Subject to the provisions contained in this Letter of Offer, the Company will Accept the Equity Shares tendered in the Buy-Back by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- (a) Full Acceptance (i.e., 100%) of the Equity Shares from Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-Back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in paragraph (a) above, in case there are any validly tendered unaccepted Equity Shares in the General Category (“**General Category Additional Shares**”) and the Equity Shares left to be bought back in the General Category, the General Category Additional Shares shall be Accepted in a proportionate manner and the Acceptances shall be made in accordance with the Buy Back Regulations, i.e. valid Acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in General Category
- (c) Adjustment for fractional results in case of proportionate Acceptance as described in paragraph 19.4.10 (b) above, will be made as follows
 - (i) For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is greater than or equal to point five zero (0.50), then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Seller if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is less than point five zero (0.50), then the fraction shall be ignored.

19.4.11 Basis of Acceptance of Equity Shares between Categories

- (a) After Acceptances of tenders, as mentioned in paragraphs 19.4.9 and 19.4.10 above, there are any Equity Shares left to be bought back in one (1) category (“**Partially Filled Category**”), and there are unaccepted validly tendered Equity Shares (“**Further Additional Shares**”) in the second category (“**Over Tendered Category**”), then the Further Additional Equity Shares in the Over Tendered Category shall be Accepted in a proportionate manner i.e., valid Acceptances per Eligible Shareholder shall be equal to the Further Additional Shares validly tendered by the Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Equity Shares to be bought back in the Partially Filled category.
- (b) If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buy-Back Entitlement and who has tendered Additional Shares shall be eligible for priority Acceptance of one (1) Equity Share before Acceptance in paragraph 19.4.11 (a) above out of the Equity Shares left to be bought back in the Partially Filled Category, provided no Acceptance could take place from such Eligible Shareholder in accordance with paragraph 19.4.9.
- (c) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.4.11 (a) above, will be made as follows:
 - i. For any Eligible Shareholder, if the number of Further Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is greater than or equal to point five zero (0.50), then the fraction would be rounded off to the next higher integer.
 - ii. For any Eligible Shareholder, if the number of Further Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is less than point five zero (0.50), then the fraction shall be ignored.

- 19.4.12 For avoidance of doubt, it is clarified that the Equity Shares Accepted under the Buy-Back Offer from such Eligible Shareholder, in accordance with above clauses, shall be lower of the following:
- (a) the number of Equity Shares tendered by the respective Eligible Shareholder; and
 - (b) the number of Equity Shares held by respective Eligible Shareholder as on the Record Date.
- 19.4.13 For avoidance of doubt, it is further clarified that the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the above.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

- 20.1 The Buy-Back is open to all Eligible Shareholder.
- 20.2 The Company proposes to effect the Buy-Back through Tender Offer, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy-Back as well as the detailed disclosures as specified in the Buy-Back Regulations, will be mailed/dispatched to Eligible Shareholder.

Eligible Shareholders who have registered their email ids with the Depositories / the Company, shall be dispatched the Letter of Offer through electronic means. If Eligible Shareholders wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or Registrar at the address or email id mentioned at the cover page of this Letter of Offer.

Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode.

- 20.3 The Company will not Accept any Equity Shares offered for Buy-Back which are under any restraint order of a Court for transfer/ sale of such shares or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise. The Company shall also not Accept the Equity Shares offered for Buy-Back where the title to such Equity Shares is under dispute or otherwise not clear.
- 20.4 The Company shall comply with Regulation 24(v) of the Buy-Back Regulations which states that the Company shall not buy back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- 20.5 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account.
- 20.6 The Company shall Accept all the Equity Shares validly tendered for the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Sellers will be Accepted as per paragraphs 19.4.9, 19.4.10 & 19.4.11 under Process and Methodology for the Buy-Back respectively.
- 20.7 As elaborated under paragraph 19.4 above, the Equity Shares proposed to be bought as a part of the Buy-Back is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders and the Buy-Back Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.8 After Accepting the Equity Shares tendered on the basis of Buy-Back Entitlement, Equity Shares left to be bought as a part of the Buy-Back, if any, in one category shall first be Accepted, in proportion to the Equity Shares tendered, over and above their Buy-Back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-Back Entitlement, in other category.
- 20.9 The Buy-Back shall be implemented using the “Mechanism for acquisition of shares through stock exchange” in accordance with SEBI Circulars and following the procedure prescribed in the Companies Act and the Buy-Back Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.
- 20.10 For implementation of the Buy-Back, the Company has appointed Emkay Global Financial Services Limited as the registered broker to the Company (the “Company’s Broker”) through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company’s Broker are as follows:

Emkay Global Financial Services Limited

7th Floor, The Ruby, Senapati Bapat Marg, Dadar (West), Mumbai- 400 028 Maharashtra, India

Tel: +91 22 6612 1212

Email: montecarlo.buyback@emkayglobal.com

Website: www.emkayglobal.com

SEBI Registration No. INZ000203933

CIN: L67120MH1995PLC084899

- 20.11 The Company shall request the Designated Stock Exchange to provide the separate Acquisition Window to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back. The details of the platform will be specified by the Designated Stock Exchange from time to time.
- 20.12 All Eligible Shareholders may place orders in the Acquisition Window, through their respective Seller Member(s).
- 20.13 The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended and any other rules, regulations, guidelines for remittance of funds shall be made by the Eligible Shareholder and/or the Seller Member through which the Eligible Shareholder places the bid.
- 20.14 During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Seller Members during normal trading hours of the secondary market.
- 20.15 Seller Members can enter orders for Equity Shares in demat form as well as Equity Shares in physical form.
- 20.16 Modification/ cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buy-Back Offer. Multiple bids made by single Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- 20.17 The cumulative quantity tendered shall be made available on BSE's website i.e. www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.18 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.19 Procedure to be followed by Eligible Shareholder holding Equity Shares in the dematerialised form
- a) Eligible Shareholders who desire to tender their Equity Shares in the electronic/ dematerialized form under Buy-Back would have to do so through their respective Seller Member(s) by giving the details of Equity Shares they intend to tender under the Buy-Back.
 - b) The Seller Member would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buy-Back using the Acquisition Window of the Stock Exchanges. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited (referred to as the "**Clearing Corporation**"), by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation prior to placing the bid by the Seller Member.
 - c) The details of the special account shall be informed in the issue opening circular that will be issued by the Stock Exchanges and/ or the Clearing Corporation.
 - d) For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/ bid by custodians. 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, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
 - e) Upon placing the order, the Seller Member shall provide TRS to the Eligible Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, Application No., no. of Equity Shares tendered, etc.
 - f) All such Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
 - i) Duly attested power of attorney, if any person other than the Eligible Seller has signed the Tender Form;
 - ii) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Seller has expired; and
 - iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
 - g) In case of demat Equity Shares, submission of Tender Form and TRS is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-Back shall be deemed to have been Accepted, for Eligible Shareholders holding Equity Shares in demat form.
 - h) Thus, in case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-Back shall be deemed to have been Accepted, for demat Shareholders.

- i) The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-Back 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 Buy-Back of shares by the Company.
- j) The details of the account opened with DP as given below in to which the Equity Shares tendered are to be transferred by Clearing Corporation post settlement of the Buy-Back:

DP IP	12023000
DP Name	Emkay Global Financial Services Limited
Beneficiary Client ID	01215963
Client Account Name	MONTE CARLO FASHIONS LIMITED BUYBACK 2019

20.20 Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form

- a) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buy-Back are required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including the following:
 - i. The Tender Form duly signed (by all the Equity Shareholders in case Equity Shares are in joint names) the same order in which they hold the Equity Shares;
 - ii. Original share certificates;
 - iii. Valid share transfer form(s)(SH-4) duly filled and signed by the transferors (i.e. by all registered Eligible Sellers in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company;
 - iv. Self-attested copy of the Eligible Seller’s permanent account number card;
 - v. Any other relevant documents such as, but not limited to:
 - Duly attested power of attorney if any person other than the Eligible Shareholder has signed the relevant Tender Form;
 - Notarized copy of death certificate/ succession certificate or probated will, if the original Eligible Seller has deceased;
 - Necessary corporate authorizations, such as board resolutions etc., in case of companies;
 - vi. In addition to the above, 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 aadhar card, voter identity card or passport.
- b) Seller Member should place bids on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the bid, the Seller Member shall provide a TRS to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., number of Equity Shares tendered etc.
- c) After placement of bid, as mentioned in paragraph (b) above, the Seller Member must ensure delivery of Tender Form, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph (a) above) either by registered post or courier or hand delivery to the Registrar to the Buy-Back (at the address mentioned on the cover page and mentioned in paragraph 18 (Details of the Registrar to the Buy-Back and Collection Centres) of this Letter of Offer) not later than two (2) days from the Buy-Back Closing Date i.e., Thursday, April 04, 2019 by 5 p.m. The envelope should be superscribed as “**Monte Carlo Buy-Back 2019**”. One copy of the TRS will be retained by Registrar to the Buy-Back and it will provide acknowledgement of the same to the Seller Member.
- d) Eligible Shareholder should note that physical Equity Shares will not be Accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buy-Back by the Company shall be subject to verification as per the Buy-Back Regulations and any further directions issued in this regard. Registrar to the Buy-Back will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as ‘unconfirmed physical bids’. Once, Registrar to the Buy-Back confirms the bids it will be treated as ‘Confirmed Bids’.
- e) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others:
 - (i) If there is any other company’s equity share certificate enclosed with the Tender Form instead of the Equity Share

certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (iii) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/ Registrar.

- f) In case an Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholder should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-Back Offer before Closing Date.
- g) An unregistered shareholder holding Equity Shares in physical form on the Record Date may also tender his shares for Buy-Back by submitting the duly executed transfer deed for transfer of shares in his name, along with the Offer form and other relevant documents as required for transfer, if any.
- h) As per the proviso to Regulation 40(1) of the LODR Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with the press release dated December 3, 2018 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. As per the revised schedule of activities of this Offer, prepared in accordance with the Buy-Back Regulations, the acceptance of tendered Equity Shares shall take place after April 1, 2019. Hence, Public Shareholders desirous of tendering their Equity Shares held in physical form can do so only after the shares are dematerialized and are advised to approach the concerned depository participant to have their Equity Shares dematerialized. However, should the applicable regulations permit the transfer of securities held in physical form as on the date of acceptance of Equity Shares tendered in the Buyback Offer, the procedure for tendering to be followed by Public Shareholders holding Equity Shares in the physical form is as detailed above. In this regard, Public Shareholders holding Equity Shares in physical form may check the website of SEBI (www.sebi.gov.in) or consult the concerned depository participant.

For the procedure to be followed by such Eligible Shareholders for tendering Equity Shares in the Buy-Back, after dematerialisation of Equity Shares, please refer to paragraph 20.19 (Procedure to be followed by Eligible Seller holding Equity Shares in the dematerialised form) beginning on page 30.

20.21 For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with Paragraph 17 “**DETAILS OF THE STATUTORY APPROVALS**”):

- (a) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs/ FPIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (b) In case the Equity Shares are held on repatriation basis, the Eligible Shareholder, being a Non-Resident Shareholder, shall obtain and enclose a letter from its authorized dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the such Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Shareholder, being a Non-Resident Shareholder, is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the such Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted under the Buy-Back.
- (c) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buy-Back Offer are liable to be rejected.

20.22 In case of non-receipt of this Letter of Offer:

- (a) In case the Equity Shares are in dematerialised form: An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e., www.montecarlocorporate.com, or by providing their application in writing on plain paper, signed by all Eligible Shareholders, stating its name and address, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buy-Back.
- (b) In case the Equity Shares are in physical form: An Eligible Shareholder may participate in the Offer by providing their application in writing on plain paper signed by all Eligible Shareholders stating its name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buy-Back Offer and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Shareholders' permanent account number card(s) and executed share transfer form in favour of the Company. The transfer form SH-4 is being sent along with the Tender Form. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite

documents (as mentioned in paragraph 20.20 above), reach the collection centres not later than two (2) days from the Buy-Back Closing Date i.e., Thursday, April 04, 2019 by 5 p.m. If the signature(s) of the Eligible Shareholder provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buy-Back Offer.

- (c) Please note that Eligible Shareholder(s) who intend to participate in the Buy-Back will be required to approach their respective Seller Member(s) (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member(s) in the electronic platform to be made available by BSE and NSE before the Buy-Back Closing Date.
- (d) The Company shall Accept Equity Shares validly tendered by the Shareholder(s) in the Buy-Back on the basis of their shareholding as on the Record Date and the Buy-Back Entitlement. Eligible Shareholder(s) who intend to participate in the Buy-Back using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buy-Back Offer, before participating in the Buy-Back.

20.23 Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any Eligible Shareholder, shall not invalidate the Buy-Back Offer in any way.

20.24 The Acceptance of the Buy-Back Offer made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or not to participate in the Buy-Back Offer. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Sellers are advised to adequately safeguard their interest in this regard.

20.25 Method of Settlement:

Upon finalization of the basis of Acceptance as per Buy Back Regulations:

- (a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time, and in compliance with the SEBI Circulars.
- (b) The Company will pay the consideration pertaining to the Buy-Back to the Company's Broker which will transfer the funds pertaining to the Buy-Back to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares Accepted under the Buy-Back, Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/ Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to their respective Shareholders.
- (c) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buy-Back ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
- (d) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to Eligible Shareholder by Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate Acceptance/ rejection will be returned back to the Eligible Shareholder directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares Accepted by the Company are less than the Equity Shares tendered in the Buy-Back by Eligible Shareholder holding Equity Shares in the Physical form.
- (e) The Eligible Shareholder will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-Acceptance of shares under the Buy-Back.

20.26 Company's Broker would also issue a contract note to the Company for the Equity Shares Accepted under the Buy-Back. If Eligible Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Shareholder will be transferred to the Seller Member for onward transfer to the Eligible Seller.

20.27 Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Seller Member(s) for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the Shareholders for tendering Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the Eligible Shareholder, in respect of Accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

20.28 The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and Accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buy-Back Regulations.

21. NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the Company.

THE SUMMARY OF THE INCOME-TAX CONSIDERATION IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS. IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

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

1. GENERAL

- a. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1st until March 31st. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income-Tax Act, 1961 (The IT Act).
- b. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or is deemed to accrue or arise in India) and income received by such persons in India. In case of Shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- c. Accordingly, since the company is incorporated in India, the company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act. Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement ("DTAA") between India and the respective jurisdiction of which the said shareholder is tax resident subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under the IT Act.
- d. The IT Act also provides for different income-tax regimes/rates applicable to the gains arising on the buy-back of shares, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. The summary of income-tax implications on buy-back of listed equity shares on the Recognized Stock Exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

2. CLASSIFICATION OF SHAREHOLDERS

Based on the provisions of the IT Act, shareholders can be classified under the following categories:

- **Resident Shareholders being:**
 - Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
 - Others
- **Non Resident Shareholders being:**
 - Non Resident Indians (NRIs)
 - Foreign Portfolio Investors (FPIs)
 - Foreign Companies
 - Others

3. CLASSIFICATION OF INCOME

- i. Shares can be classified under the following two categories:
 - a) **Shares held as investment** (Profits or Gains arising from transfer taxable under the heading “Capital Gains”)
 - b) **Shares held as stock-in-trade** (Profits or Gains arising from transfer taxable under the heading “Profits and Gains from Business or Profession”)
- ii. Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements on whether gains from transactions in securities should be taxed as “business profits” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Central Board of Direct Taxes (CBDT), the apex body of Income-tax has issued **Circular No. 6 of 2016** wherein it was clarified that if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months and if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be disputed by the income-tax authorities provided such stand is consistently followed by the taxpayer in subsequent years.
- iii. Further, investments by FPIs in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as a capital asset under the provisions of the IT Act.

4. SHARES HELD AS INVESTMENT

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

b. Period of holding:

Depending on the period for which the shares are held, the gains would be taxable as ‘short term capital gain’ or ‘long term capital gain. In respect of equity shares which are listed on a recognised Stock Exchange held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a ‘short-term capital asset’, and the gains arising therefrom shall be taxable as ‘short term capital gains’ (“STCG”). Similarly, where equity shares listed are on a recognised stock exchange and are held for a period more than 12 months prior to the date of transfer, the same shall be treated as a ‘long-term capital asset’, and the gains arising therefrom shall be taxable as ‘long-term capital gains’ (“LTCG”).

5. BUY-BACK OF SHARES THROUGH A RECOGNIZED STOCK EXCHANGE

- a. Where transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognized stock exchange, they are liable to Securities Transaction Tax (‘STT’). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.
- b. The taxability of buy-back proceeds in the hands of the eligible shareholder would be as under:
 - *As per the provisions of the Income Tax Act as amended by the Finance Act, 2018, the exemption to LTCG provided u/s. 10(38) of Income Tax Act has been withdrawn and tax is levied on LTCG exceeding Rupees 1.00 Lakh in a financial year arising on transfer of listed equity shares @ 10% without allowing the benefit of indexation.*
 - *However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of*
 - i. *the actual cost of acquisition of such equity shares acquired before 1st February, 2018, or*
 - ii. *the lower of the following:*
 - a) *the highest price of such equity shares quoted on the recognised stock exchange on the 31st January, 2018; and*
 - b) *the actual sale value of such equity shares.*
 - *However, as per a draft notification issued on 24th April, 2018, an exemption from the requirement of STT being paid at the time of acquisition of shares, is sought to be provided to certain modes of acquisition including*

acquisition of shares by a non-resident under the FDI policy and acquisition of unlisted shares subsequently listed on the stock exchange. Once such exceptions are notified, if acquisition is made in such specified modes, the rates specified above shall continue to apply, even if no STT was paid at the time of acquisition of the shares.

- *If STT is not paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).*
 - *STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, without any restriction on the mode of acquisition.*
 - *Amount of LTCG and STCG arising to resident corporate shareholders would also be included for purpose of computing Minimum Alternate Tax (MAT) under section 115JB of the Income Tax Act at the rate of 18.50%. Such MAT however would be available for offset against taxes payable by such corporate shareholders under normal tax provisions (subject to conditions). In addition to the Tax, Surcharge, Health and Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).*
 - *In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG taxable under section 111A of the Income Tax Act. In addition to the above STCG tax, Surcharge, Health and Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).*
 - *Non-resident shareholders can avail beneficial provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/maintaining necessary documents prescribed under the Income Tax Act.*
- c. As an overall point, since the Buy-Back is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax ("STT"). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the transaction value separately in the hands of the Seller and the Company.

6. SHARES HELD AS STOCK-IN-TRADE

- a. If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession". In such a case, the provisions of Income Tax Act regarding taxability of proceeds of buy-back in hands of shareholders as mentioned under Note 5(b) above would not apply.
- b. RESIDENT SHAREHOLDERS**
- For Individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
 - Domestic Company having turnover or gross receipts not exceeding INR 250 crore of the previous year 2016-17 would be taxable @ 25%.
 - For persons other than stated in (a) & (b) above, profits would be taxable @ 30%.
 - In addition to the above, Surcharge, Health and Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).
 - No benefit of indexation by virtue of period of holding would be available in any case.
- c. NON RESIDENT SHAREHOLDERS**
- Non-resident shareholders can avail beneficial provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') entered into by India with relevant country to which shareholder belongs but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
 - Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
 - For foreign companies, profits would be taxed in India @ 40%
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.
- In addition to the above, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to Note 8 for rate of surcharge and cess).

7. TAX DEDUCTED AT SOURCE (TDS)

a. In case of Resident Shareholders

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

b. In case of Non-resident Shareholders

Since the buy-back is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore recommended that non-resident shareholder may consult their custodians/authorized dealers/tax advisors appropriately to compute gains (if any) and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident shareholders need to undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to the non-resident shareholders on buy-back of Equity Shares by the Company. The non-resident shareholders also to provide undertaking to the Company, to provide on demand, the relevant details in respect of the taxability/non-taxability of the proceeds arising on buy-back of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

8. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge, Health and Education Cess are leviable as under:

a. Surcharge

- **In case of domestic companies:** Surcharge @ 12% is leviable where the total income exceeds Rupees 10 crores and @ 7% where the total income exceeds Rupees 1 crore but upto Rupees 10 crores.
- **In case of companies other than domestic companies:** Surcharge @ 5% is leviable where the total income exceeds Rupees 10 crores and @ 2% where the total income exceeds Rupees 1 crore but upto Rupees.10 crores.
- In case of Individuals, Hindu Undivided family, Association of Persons, and Body of Individuals: Surcharge @15% is leviable where the total income exceeds Rupees 1 crore and @ 10% where the total income exceeds Rupees 50 Lakhs but less than Rupees.1 crore.
- In case of, Co-operative Societies or Local Authorities: Surcharge @12% is leviable if income exceeds Rupees 1 crore.
- In case of Firms: Surcharge @12% is leviable if income exceeds Rupees 1 crore.

b. Cess

- Health and education cess @ 4% is leviable on all income taxes and surcharge, as applicable.

9. GENERAL

The above note on taxation sets out the provisions of law in a summarised manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, shareholders should consult their own tax advisors for the tax provisions applicable to their particular circumstances. The tax rate and other provisions may undergo changes. Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The company does not accept any responsibility for the accuracy or otherwise of such advice.

22. DECLARATION BY THE BOARD OF DIRECTORS

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

The Board of Directors of the Company confirms that 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 term loans or interest payable thereon to any financial institution or banks.

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

- Immediately following the date of the Board Meeting, and the date on which the results of shareholders' resolution passed by way of Postal Ballot/e-voting ("Postal Ballot Resolution") will be declared, approving the Buy-Back, there will be no grounds on which the Company could be found unable to pay its debts;
- As regards the Company's prospects for the year immediately following the date of the Board Meeting approving the Buy-Back as well as for the year immediately following the date of Postal Ballot Resolution, 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 will not be rendered insolvent within a period of one year from that date of the Board meeting as also from the date Postal Ballot Resolution; and

- iii) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company was being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016.

This declaration is made and issued under the authority of the Board in terms of the resolution passed at the meeting held on November 30, 2018.

For and on behalf of the Board of Directors of Monte Carlo Fashions Limited,

Sd/-
Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

Sd/-
Dinesh Gogna
Director
(DIN: 00498670)

23. AUDITORS CERTIFICATE

The text of the certificate dated November 28, 2018, received from Walker Chandiook & Co, LLP, Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of Directors is given below:

Quote

“Independent Auditor’s Report on planned buy-back of equity shares

To,

The Board of Directors

Monte Carlo Fashions Limited

B-XXIX-106, G.T. Road, Sherpur, Ludhiana-141003

1. This report is issued in accordance with the terms of our engagement letter dated 25 October 2018 with Monte Carlo Fashions Limited (the ‘Company’).
2. The management of the Company has prepared the accompanying Annexure A-Statement of permissible capital payment as on 28 November 2018 (the ‘Statement’) pursuant to the planned buy-back of equity shares. The Statement contains the computation of amount of permissible capital payment towards buy-back of equity shares in accordance with the requirements of section 68(2)(c) of the Act and based on the latest audited financial statements for the year ended 31 March 2018. We have initialed the Statement for the identification purposes only.

Management’s Responsibility for the Statement

3. The preparation of the Statement in accordance with the requirements of section 68(2)(c) of the Act and ensuring compliance with the SEBI buy-back regulations, is the responsibility of the management of the Company, including 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.
4. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting at which the proposal for buy-back was approved; and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buy-back was approved by the Board of Directors of the Company, and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Act and the SEBI buy-back regulations.

Auditor’s Responsibility

5. It is our responsibility to provide reasonable assurance on whether:
 - a) we have inquired into the state of affairs of the Company in relation to the audited financial statements for the year ended 31 March 2018;
 - b) the amount of permissible capital payment, as stated in the Statement, has been properly determined considering the audited financial statements for the year ended 31 March 2018 in accordance with section 68(2)(c) of the Act; and

- c) whether the Board of Directors of the Company, in its meeting dated 13 November 2018, has formed the opinion, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date.
6. The audited financial statements, referred to in paragraph 5 above, have been audited by us, on which we have issued unmodified audit opinion vide our report dated 25 May 2018. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
7. We conducted our examination of the Statement in accordance with the 'Guidance note on reports or certificates for special purposes' ('Guidance note'), issued by the ICAI. The Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality control for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements, issued by the ICAI.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the matters mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the matters mentioned in paragraph 5 above. We have performed the following procedures in relation to the matters mentioned in paragraph 5 above:
 - a) Inquired into the state of affairs of the Company in relation to the audited financial statements for the year ended 31 March 2018;
 - b) Examined authorisation for buy back from the Articles of Association of the Company;
 - c) Agreed the balance of the retained earnings, special reserve, securities premium account and general reserve as at 31 March 2018 as disclosed in the Statement with the audited financial statements;
 - d) Examined that the ratio of secured and unsecured debt owed by the Company is not more than twice the capital and its free reserves after such buy-back;
 - e) Examined that all the shares for buy-back are fully paid-up;
 - f) Examined that the amount of capital payment for the buy-back as detailed in the Statement is within the permissible limit computed in accordance with section 68(2)(c) of the Act;
 - g) Inquired if the Board of Directors of the Company, in its meeting held on 13 November 2018 has formed the opinion, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date of the board meeting;
 - h) Examined minutes of the meetings of the Board of Directors;
 - i) Verified the arithmetical accuracy of the Statement; and
 - j) Obtained appropriate representations from the management of the Company.

Opinion

10. Based on our examination as above and the information, explanations and representations provided to us by the management, in our opinion:
 - a) we have inquired into the state of affairs of the Company in relation to audited financial statements for the year ended 31 March 2018;
 - b) the amount of the permissible capital payment towards the planned buy-back of equity shares as computed in the accompanying Statement, is properly determined in accordance with the requirements of section 68(2)(c) of the Act based on the audited financial statements for the year ended 31 March 2018; and
 - c) the Board of Directors of the Company, in its meeting held on 13 November 2018 has formed opinion, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the aforesaid date.
 - d) This report does not and should not be construed to provide an assurance about the future viability of the Company or the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

Restriction on distribution or use

11. This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of its internal use and reference for the planned buy-back. Accordingly, this report may not be suitable for any other purpose, and therefore, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 November 2018
Planned buy-back of equity shares

Annexure A- Statement of permissible capital payment

Particulars		Amount (₹ In lacs)
Paid-up equity share capital as at 31 March 2018 (21,732,064 Equity Shares of ₹ 10 each fully paid-up)	A	2,173.21
Free reserves (refer note 1):		
Retained Earnings as at 31 March 2018	572.08	
General Reserve as at 31 March 2018	12,753.19	
Special Reserve as at 31 March 2018	24,222.55	
Securities Premium as at 31 March 2018	12,869.76	
Total free reserves	B	50,417.58
Paid-up equity capital and free reserves as at 31 March 2018	(A+B)	52,590.79
Permissible capital payment (25% of the paid-up equity capital and free reserves)		13,147.70

Note 1 – Free reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013.

Note 2 –The above calculation of the paid-up Equity Capital and Free Reserves as at 31 March 2018 for buy-back of equity shares is based on the amounts appearing in the audited financial statements of the Company for the year ended 31 March 2018. These financial statements were prepared and presented in accordance with the Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013.

For and on behalf of
Monte Carlo Fashions Limited

Sd/-
(Director)

Date: 28 November 2018

24. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by the Shareholders of the Company at its Registered Office at B-XXIX-106 G.T.Road, Sherpur, Ludhiana - 141003, Punjab, India between 10:00 a.m. and 5:00 p.m. on all working days (Monday to Friday) during the Offer period:

- (i) Copy of certificate of incorporation and Memorandum and Articles of Association of the Company.
- (ii) Copy of annual reports of the Company for the financial years ended March 31, 2018, March 31, 2017, March 31, 2016 and unaudited financial results (limited reviewed by auditors) for six months ended September 30, 2018.
- (iii) Copy of resolution passed by the Board of Directors at their meeting held on November 30, 2018 approving the proposal of the Buy-Back and a copy of the resolution passed by the Board of Directors at their meeting held on November 13, 2018 in relation to constitution of the Buy-Back Committee.
- (iv) Copy of the certificate dated November 28, 2018 received from Walker Chandiook & Co, LLP, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buy Back Regulations.
- (v) Copy of the postal ballot notice dated November 30, 2018, along with the explanatory statement.
- (vi) Copy of the special resolution passed by the Shareholders of the Company by way of postal ballot on February 07, 2019.
- (vii) Copy of the resolution passed by the Board dated February 08, 2019 approving the Public Announcement, fixing the Record Date and the Buy-Back Price.
- (viii) Copy of Public Announcement dated February 08, 2019 published in the newspapers on February 11, 2019 regarding Buy-Back.
- (ix) Copy of declaration of solvency and an affidavit as prescribed under Section 68(6) of the Companies Act.
- (x) Copy of the certificate from M/s. YAPL & Co. LLP, Chartered Accountants, dated February 07, 2019 certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buy-Back, in accordance with the Buy-Back Regulations.
- (xi) Copy of the Escrow Agreement dated February 04, 2019 between Monte Carlo Fashions Limited, Emkay Global Financial Services Limited and ICICI Bank Limited.
- (xii) Copy of the Bank Guarantee issued by State Bank of India, Ludhiana in favour of the Manager to the Buy-Back Offer i.e., Emkay Global Financial Services Limited.
- (xiii) SEBI comments dated vide observation letter no. SEBI/HO/CFD/DCR-1/OW/P/2019/6028 dated March 07, 2019.

25. DETAILS OF THE COMPLIANCE OFFICER

Mr. Raj Kapoor Sharma

Chief Financial Officer and Compliance Officer,

B-XXIX-106 G.T. Road, Sherpur, Ludhiana – 141003, Punjab, India.

Tel.: +91 161 504 8610/40;

Fax: +91 161 504 8650

Email: investor@montecarlocorporate.com

Website: www.montecarlocorporate.com

Investors may contact the Compliance Officer for any clarification or can address their grievances, if any, during office hours i.e. 10:00 a.m. to 5:00 p.m. on all working days except Saturday, Sunday and public holidays.

26. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS

- 26.1 In case of any grievances relating to the Buy-Back (e.g. non-receipt of the Buy-Back consideration, share certificate, demat credit, etc.), the investor can approach the Compliance Officer as per the details mentioned above and/ or the Registrar to the Buy-Back and/ or Manager to the Buy-Back for redressal as per the details mentioned in paragraphs 27 and 28 of this Letter of Offer, respectively.
- 26.2 If the Company makes any default in complying with the provisions of Sections 68, 69 and 70 of the Companies Act or the Rules made thereunder, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as the case may be.

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

Registrar of Companies, Punjab, Chandigarh

OC-cum-Official Liquidator
Corporate Bhavan, 1st Floor,
Plot No. 4-B, Madhya Marg, Sector 27B
Chandigarh - 160019
Phone: 0172-2639415/2639416

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the Equity Shareholders may contact the Registrar to the Buy-Back on any day except Saturday, Sunday and Public holidays between 10.00 a.m. to 5.00 p.m. at the following address:



Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Telephone: +91 22 4918 6200

Facsimile: +91 22 4918 6195

Email: mcfashions.buyback@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

Validity Period: Permanent

28. DETAILS OF THE MANAGER TO THE BUY-BACK

EMKAY GLOBAL FINANCIAL SERVICES LIMITED



Contact Person: Mr. Deepak Yadav/ Mr. Chirag Dave

Regd. Off.: 7th Floor, The Ruby, Senapati Bapat Marg, Dadar-West, Mumbai-400028, Maharashtra

Tel. No.: +91 22 66121212

Fax No.: +91 22 66121355

Email id: montecarlo.buyback@emkayglobal.com

Website: www.emkayglobal.com

SEBI Regn. No.: INM000011229

Validity Period : Permanent

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

As per Regulation 24(i)(a) of the Buy-Back Regulations, the Board of Directors accept full responsibility for the information contained in this Letter of Offer and confirms that this Letter of Offer contains true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on November 30, 2018.

For and on Behalf of the Board of Directors of MONTE CARLO FASHIONS LIMITED

Sd/-
Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

Sd/-
Dinesh Gogna
Director
(DIN: 00498670)

Sd/-
Raj Kapoor Sharma
Chief Financial Officer &
Compliance Officer

Date: March 08, 2019

Place: Ludhiana

Enclosures:

TENDER FORM FOR DEMAT SHAREHOLDERS
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)

Bid Number:
Date:

BUY-BACK OPENING ON		Tuesday March 19, 2019	
BUY-BACK CLOSING ON		Tuesday April 02, 2019	
For Registrar / Collection Centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/> Individual	<input type="checkbox"/> FII/FPI	<input type="checkbox"/> Insurance Co	
<input type="checkbox"/> Foreign Co	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> FVCI	
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/FI	<input type="checkbox"/> Pension/PF	
<input type="checkbox"/> VCF	<input type="checkbox"/> Partnership/LLP	<input type="checkbox"/> Others (specify)	
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident in India	<input type="checkbox"/> Resident of _____ (shareholder to fill in country of residence)	

To,
Monte Carlo Fashions Limited
C/o Link Intime India Private Limited
 C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India
Telephone: +91 22 4918 6200; **Facsimile:** +91 22 4918 6195

Dear Sirs,

Sub: Letter of Offer dated March 08, 2019 to Buy-Back up to 10,00,000 fully paid-up Equity Shares of ₹10/- (Rupees Ten Only) each of Monte Carlo Fashions Limited (the "Company") fully paid up Equity Shares of ₹10/- (Rupees Ten Only) each of Monte Carlo Fashions Limited at a price of ₹550/- (Rupees Five Hundred and Fifty only) per Equity Share ("Buy-Back Price"), payable in cash.

1. I / We (having read and understood the Letter of Offer dated **March 08, 2019**) hereby tender / offer my / our Equity Shares in response to the Buy-Back on the terms and conditions set out below and in the Letter of Offer.
2. I / We authorize the Company to buy back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-Back to extinguish the Equity Shares.
3. I / We hereby affirm that the Equity Shares comprised in this tender / offer are offered for Buy-Back by me / us free from all liens, equitable interest, charges and encumbrance.
4. I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-Back Offer and that I / we am / are legally entitled to tender the Equity Shares for Buy-Back.
5. I / We agree that the consideration for the Accepted Shares will be paid by the Company only after due verification of the validity period of the documents as per secondary market mechanism.
6. I / We acknowledge that the responsibility to discharge the tax due on any gains arising on Buy-Back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians / authorized dealers / tax advisors appropriately.
7. I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on Buy-Back of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on Buy-Back of shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc.
8. I/We agree that the excess demat Equity Shares or unaccepted demat Shares, if any, tendered would be returned to the Seller Broker by Clearing Corporation in payout.
9. I / We undertake to return to the Company any Buy-Back consideration that may be wrongfully received by me / us.
10. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-Back in accordance with the Companies Act and the Buy-Back Regulations.
11. Details of Equity Shares held and tendered / offered for Buy-Back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares entitled for Buy-Back (Buy-Back Entitlement)		
Number of Equity Shares offered for Buy-Back		
*Number of Equity Shares held for a period more than 12 months		
*Number of Equity Shares held for a period less than or equal to 12 months		

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buy-Back Entitlement. Number of Equity Shares validly tendered by any Eligible Seller up to the Buy-Back Entitlement of such Eligible Seller shall be Accepted to the full extent. The Equity Shares tendered by any Equity Shareholder over and above the Buy-Back Entitlement of such Equity Shareholder shall be Accepted in accordance with paragraph 19 of the Letter of Offer. Equity Shares tendered by any Equity Shareholder over and above the number of Equity Shares held by such Equity Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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Acknowledgement Slip: MONTE CARLO BUY-BACK 2019
 (to be filled by the Equity Shareholder) (subject to verification)

Folio No./DP ID.: _____

Client ID : _____

Received from Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buy-Back (In Figures) _____ (In Words) _____

Please quote Client ID No. & DP No. for all future correspondence _____

STAMP OF BROKER

12. Non-resident Shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred” and the price at which the Equity Shares are being transferred i.e. “Price determined in accordance with the Buy-Back Regulations” duly signed by the Shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

13. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

14. Eligible Shareholders Details:

Particulars	First / Sole Holder	Joint Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
Full Name(s) of the Holder				
Signature(s)*				
PAN No.				
Address of the Sole/ First Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp and sign under valid authority. The Corporate Authorization should be enclosed with the application form submitted.

15. Applicable for all Non-resident Shareholders

I/We being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India. I / We undertake to pay income taxes in India on any income arising on such Buy-Back and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Shares are bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-Back of shares by me / us. Details of bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled).

INSTRUCTIONS

- The Buy-Back will open on Tuesday, March 19, 2019 and close on Tuesday, April 02, 2019.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Seller who desire to tender their Equity Shares in the dematerialized form under the Buy-Back would have to do so through their respective Seller Member by indicating the details of Equity Shares they intend to tender under the Buy-Back Offer.
- Eligible Shareholders should submit their duly filled Tender Form to the office of Registrar to the Buy-Back Offer (as mentioned in Paragraph 18.2 of the Letter of Offer) only post placing the bid via the Seller Member.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered Shareholder is still incomplete, then such entity along with the Tender Form shall file a copy of the following documents:
 - Approval from the appropriate authority for such merger;
 - The scheme of merger; and
 - The requisite form filed with MCA intimating the merger.
- The Equity Shares tendered in the Buy-Back shall be rejected if (i) the Shareholder is not a Shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the Shareholder; or (iii) in case of receipt of completed tender application form but non receipt of shares in the special account of the Clearing Corporation or non-receipt of bid in the exchange bidding system.
- The Eligible Sellers will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buy-Back being on a proportionate basis in terms of the Ratio of Buy-Back.
- Eligible Sellers to whom the Buy-Back Offer is made are free to tender Equity Shares to the extent of their Buy-Back Entitlement in whole or in part or in excess of their entitlement.
- For the procedure to be followed by Equity Shareholders for tendering in the Buy-Back, please refer to section 20 of the Letter of Offer.
- All documents sent by Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.

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ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUY-BACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:

Investor Service Centre, MONTE CARLO BUY-BACK 2019

LINKIntime

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Telephone: +91 22 4918 6200; **Facsimile:** +91 22 4918 6195

Email: mcfashions.buyback@linkintime.co.in; **Website:** www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI registration number: INR000004058; **CIN:** U67190MH1999PTC118368

**TENDER FORM FOR PHYSICAL SHAREHOLDERS
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

Bid Number:

Date:

BUY-BACK OPENING ON		Tuesday March 19, 2019	
BUY-BACK CLOSING ON		Tuesday April 02, 2019	
For Registrar / Collection Centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/> Individual	<input type="checkbox"/> FII/FPI	<input type="checkbox"/> Insurance Co	
<input type="checkbox"/> Foreign Co	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> FVCI	
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/FI	<input type="checkbox"/> Pension/PF	
<input type="checkbox"/> VCF	<input type="checkbox"/> Partnership/LLP	<input type="checkbox"/> Others (specify)	
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident in India	<input type="checkbox"/> Resident of _____ <i>(shareholder to fill in country of residence)</i>	

To,
Monte Carlo Fashions Limited
C/o Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Telephone: +91 22 4918 6200; **Facsimile:** +91 22 4918 6195

Dear Sirs,

Sub: Letter of Offer dated March 8, 2019 to Buy-Back up to 10,00,000 fully paid-up Equity Shares of ₹10/- (Rupees Ten Only) each of Monte Carlo Fashions Limited (the "Company") at a price of ₹ 550/- (Rupees Five Hundred and Fifty only) per Equity Share ("Buy-Back Price"), payable in cash

1. I / We (having read and understood the Letter of Offer dated **March 08, 2019**) hereby tender / offer my / our Equity Shares in response to the Buy-Back on the terms and conditions set out below and in the Letter of Offer.
2. I / We authorise the Company to Buy-Back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-Back to extinguish the Equity Shares.
3. I/We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for the Buy-Back by me/ us free from all liens, equitable interest, charges and encumbrance.
4. I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-Back Offer and that I / we am / are legally entitled to tender the Equity Shares for Buy-Back.
5. I/We agree that the consideration for the Accepted Equity Shares will be paid to the Eligible Shareholder as per the secondary market mechanism.
6. I / We acknowledge that the responsibility to discharge the tax due on any gains arising on Buy-Back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians / authorized dealers / tax advisors appropriately.
7. I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on Buy-Back of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on Buy-Back of shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc.
8. I/We agree that the excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered, may be delivered to the Seller Member by the Clearing Corporation in payout.
9. I / We undertake to return to the Company any Buy-Back consideration that may be wrongfully received by me / us.
10. I / We agree that the Company is not obliged to Accept any Equity Shares offered for Buy-Back where loss of share certificates has been notified to the Company.
11. I / We agree that the Company will pay the Buy-Back Price only after due verification of the validity of the documents and that the consideration may be paid to the first named Eligible Seller.
12. I / We authorize the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity shares in case the Equity Shares Accepted by the Company are less than the Equity Shares tendered in the Buy-Back
13. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-Back in accordance with the Companies Act and the Buy-Back Regulations.
14. Details of Equity Shares held and tendered / offered for Buy-Back

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares entitled for Buy-Back (Buy-Back Entitlement)		
Number of Equity Shares offered for Buy-Back		
*Number of Equity Shares held for a period more than 12 months		
*Number of Equity Shares held for a period less than or equal to 12 months		

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buy-Back Entitlement. Number of Shares validly tendered by any Equity Shareholder up to the Buy-Back Entitlement of such Equity Shareholder shall be Accepted to the full extent. The Shares tendered by any Equity Shareholder over and above the Buy-Back Entitlement of such Equity Shareholder shall be Accepted in accordance with paragraph 19 of the Letter of Offer. Equity Shares tendered by any Equity Shareholder over and above the number of Equity Shares held by such Equity Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along this line-----

Acknowledgement Slip: MONTE CARLO BUY-BACK 2019

(to be filled by the Equity Shareholder) (subject to verification)

Folio No./DP ID.: _____

Client ID : _____

Received from Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buy-Back (In Figures) _____ (In Words) _____

Please quote Client ID No. & DP No. for all future correspondence _____

STAMP OF BROKER

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
1					
2					
3					
4					
					Total:

In case the number of folios and share certificates enclosed exceed 4 nos., Please attach a separate sheet giving details in the same format as above

16. Details of the bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled):

Name of the Bank	Branch and City	IFSC and MICR Code	Account Number (indicate type of account)

17. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

	Power of Attorney		Corporate Authorization
	Successions Certificate		Death Certificate
	TRS		Others (please specify)
	Self-attested copy of Permanent Account Number (PAN Card)		

18. Equity Shareholders Details:

Particulars	First / Sole Holder	Joint Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
Full Name(s) of the Holder				
Signature(s)*				
PAN No.				
Address of the Sole/ First Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp.

19. Applicable for all Non-resident Shareholders –

I/We being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buy-Back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India. I / We undertake to pay income taxes in India on any income arising on such Buy-Back and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Shares are bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-Back of shares by me / us. Details of bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled).

INSTRUCTIONS:

- The Buy-Back will open on Tuesday, March 19, 2019 and close on Tuesday, April 02, 2019.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Sellers who wish to tender their Equity Shares in response to this Buy-Back should deliver the following documents so as to reach to their Seller Broker, who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar to the Buy-Back Offer; the documents should be sent to the Registrar to the Buy-Back Offer only after the placement of a valid bid; non-submission of the below mentioned documents directly to the Registrar shall result in the rejection of the tendered Equity Shares; before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before Thursday, April 04, 2019 by 5:00 p.m.
 - The relevant Tender Form duly signed by all Eligible Sellers in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) Original Equity Share certificates; (iii) Self attested copy of the Permanent Account Number (PAN) Card; (iv) Transfer deed (Form SH 4) duly signed (by all Eligible Sellers in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares; (v) Transaction Registration Slip (TRS) generated by exchange bidding system.
- Eligible Sellers should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar, if any person other than the Eligible Seller has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Seller is deceased; and (iii) Necessary corporate authorizations, such as Board Resolutions etc., in case of companies. In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the 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.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form shall file a copy of the following documents:
 - Approval from the appropriate authority for such merger;
 - The scheme of merger; and
 - The requisite form filed with MCA intimating the merger.
- Eligible Sellers to whom the Buy-Back Offer is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
- All documents sent by the seller member/ custodian will be at their own risk and the seller member/ custodian is advised to adequately safeguard their interests in this regard. For the procedure to be followed by Equity Shareholders for tendering in the Buy-Back Offer, please refer to section 20 of the Letter of Offer.
- All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (iii) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar; (v) Matters specified under Section 22 (xx) (h) in the Letter of Offer. (vi) Non-submission of Notarized copy of death certificate and succession certificate / probated/Will, as applicable in case any Eligible Shareholder has deceased (vii) If necessary corporate authorizations under official stamp are not accompanied with Tender Form.
- By agreeing to participate in the Buy-Back the non-resident and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

-----Tear along this line -----

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUY-BACK OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR LEDGER FOLIO NO.:

Investor Service Centre, MONTE CARLO BUY-BACK 2019

LINKIntime

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Telephone: +91 22 4918 6200; **Facsimile:** +91 22 4918 6195

Email: mcfashions.buyback@linkintime.co.in; **Website:** www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI registration number: INR000004058; **CIN:** U67190MH1999PTC118368

Form No. SH-4 - Securities Transfer Form
[Pursuant to Section 56 of the Companies Act, 2013 and Sub-Rule (1) of Rule 11 of the Companies
(Share Capital and Debentures) Rules 2014]

Date of execution: ____/____/____

FOR THE CONSIDERATION stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN:	L	5	1	4	9	4	P	B	2	0	0	8	P	L	C	0	3	2	0	5	9
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Name of the company (in full): **Monte Carlo Fashions Limited**

Name of the Stock Exchange where the company is listed, (if any): **The National Stock Exchange of India Limited and BSE Limited**

DESCRIPTION OF SECURITIES:

Kind/ Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Shares	₹ 10.00	₹ 10.00	₹ 10.00

No. of Securities being Transferred		Consideration received (₹)	
In figures	In words	In words	In figures

Distinctive Number	From		
	To		

Corresponding Certificate Nos.			

Transferor’s Particulars

Registered Folio Number:

Name(s) in full

Signature(s)

1. _____

2. _____

3. _____

I, hereby confirm that the transferor has signed before me.

Signature of the Witness: _____

Name of the Witness: _____

Address of the Witness: _____

Pincode: _____

Transferee's Particulars		
Name in full (1)	Father's/ Mother's / Spouse's Name (2)	Address & E-mail ID (3)
Monte Carlo Fashions Limited	N.A.	B-XXIX-106, G.T. Road, Sherpur, Ludhiana – 141 003, India. E-mail: investor@montecarlocorporate.com
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
Business		

Folio No. of Transferee	Specimen Signature of Transferee(s)
	1. _____
	2. _____
	3. _____

Value of Stamp affixed: ₹ _____

Enclosures:

Stamps

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, _____

For Office Use Only

Checked by _____

Signature Talled by _____

Entered in the Register of Transfer on _____

_____ vide Transfer no _____

Approval Date _____

Power of attorney / Probate / Death certificate / Letter of

Administration

Registered on _____ at

No _____

On the reverse page of the certificate

Name of Transferor	Name of Transferee	No. of Shares	Date of Transfer
_____	_____	_____	_____

Signature of authorised signatory