



Group
Cheviot

CHEVIOT COMPANY LIMITED

CIN: L65993WB1897PLC001409

Registered & Administrative Office

24, Park Street, Magma House, 9th Floor, Kolkata-700 016

Ph: +91 82320 87911/12/13; Fax (033) 22497269/22172488

Email: cheviot@chevjute.com ; Website: www.groupcheviot.net

Ref: CCL/SHARE/

Date: 10th September, 2020

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Ref: Company's Code No. 526817

Cheviot Company Limited: ISIN - INE974B01016

Dear Sir/Madam,

Subject: Public Announcement relating to Buy-Back of Ordinary Shares of the Company

Please find enclosed herewith a copy of the Public Announcement filed with Securities and Exchange Board of India and published in the newspapers viz. Business Standard (English and Hindi editions) and Aajkaal (Bengali edition) on 10th September, 2020 in relation to the Buy-Back of Ordinary Shares of the Company approved by the Board of Directors on 8th September, 2020.

Please take the above on record.

Thanking You

Yours faithfully,

For Cheviot Company Limited

(Aditya Banerjee)

Company Secretary

and Compliance Officer



CHEVIOT COMPANY LIMITED

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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS / BENEFICIAL OWNERS OF ORDINARY SHARES OF M/S. CHEVIOT COMPANY LIMITED FOR THE BUY-BACK OF ORDINARY SHARES THROUGH TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement ("Public Announcement") is being made pursuant to the provisions of Regulation 7(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Buy-Back Regulations") and contains all the material information as specified in Schedule I read with Schedule I to the Buy-Back Regulations.

CASH OFFER FOR BUY-BACK OF UP TO 2,00,000 (TWO LAKHS) FULLY PAID-UP ORDINARY SHARES OF FACE VALUE OF ₹ 10/- (RUPEES TEN) EACH AT A PRICE OF ₹ 900/- (RUPEES NINE HUNDRED ONLY) PER FULLY PAID-UP ORDINARY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE THROUGH STOCK EXCHANGE MECHANISM

1. DETAILS OF THE BUY-BACK AND BUY-BACK PRICE:

- The Board of Directors of the Company at their meeting held on Tuesday, 8th September, 2020 have approved the Buy-Back of up to 2,00,000 (Two lakhs) fully paid-up Ordinary Shares of face value of ₹ 10/- (Rupees Ten) each, from the members/beneficial owners ("Shareholders") holding shares as at the close of business hours on Friday, 18th September, 2020 (the "Record Date"), on a proportionate basis through the "Tender Offer" route through the Stock Exchange mechanism at a price of ₹ 900/- (Rupees Nine Hundred Only) per Ordinary Share ("Buy-Back Price") payable in cash for an aggregate amount of ₹ 18,00,00,000/- (Rupees Eighteen Crores Only) ("Buy-Back Offer Size") (excluding Company's transaction costs viz. filing fees payable to SEBI, advisors/legal fees, newspaper publication expenses, brokerage, applicable taxes such as income tax, securities transaction tax, goods and service tax, etc., stamp duty and other incidental expenses) subject to the approvals as required under the applicable laws.
- The Buy-Back is in accordance with the provisions of Article 83 of the Articles of Association of the Company, the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable and in compliance with the Buy-Back Regulations, (including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force), and subject to approvals, permissions and sanctions as may be necessary from regulatory authorities as required under applicable laws, including but not limited to approvals from Securities and Exchange Board of India ("SEBI") and BSE Limited ("BSE") where the shares of the Company are listed, and subject to such terms, conditions or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/or sanctions by any of the aforesaid authorities, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which expression shall include the Committee of Directors empowered by the Board to exercise its powers).
- The Buy-Back would be facilitated by tendering of Ordinary Shares by shareholders and settlement of the same through the stock exchange mechanism as specified in accordance with SEBI circular number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, as may be amended from time to time, which prescribes mechanism for tendering and settlement of Ordinary Shares through stock exchange. In this regard, the Company will request BSE to provide the acquisition window. For the purpose of this Buy-Back, BSE would be the Designated Stock Exchange.
- In accordance with the provisions of the Act, the Buy-Back Offer Size is ₹ 18,00,00,000/- (Rupees Eighteen Crores Only), which is 3.88% of the aggregate of the fully paid-up Ordinary Share Capital and free reserves as per the standalone audited financial statements of the Company for the financial year ended 31st March, 2020, (the last audited financial statements available as on the date of the Board Meeting approving the Buy-Back) and is within the statutory limits of 10% of the aggregate of the fully paid-up Ordinary Share Capital and free reserves as per the last standalone audited financial statements of the Company. Further, under the Act, the number of Ordinary Shares that can be bought back in any financial year cannot exceed 25% of the total number of Ordinary Shares in the total paid-up Share Capital of the Company in that financial year. Since the Company proposes to Buy-Back up to 2,00,000 (Two Lakhs) Ordinary Shares representing 3.09% of the present total number of Ordinary Shares in the total paid-up Share Capital of the Company, the same is within the statutory limit of 25%.
- All the shareholders of the Company who hold Ordinary Shares as on the Record Date will be eligible to participate in the Buy-Back including promoter and promoter group of the Company as have been disclosed in the shareholding pattern filed by the Company from time to time under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the "Listing Regulations") and continual disclosures filed by the Company from time to time under Regulation 30 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. Pursuant to the proposed Buy-Back and depending on the response to the Buy-Back, the voting rights of the promoter and promoter group may change from its existing voting rights of 74.9904% in the Company. The promoter and promoter group are already in control over the Company and therefore such change in voting rights of the promoter pursuant to the Buy-Back will not result in any change in control over the Company.
- The Buy-Back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations and in the event, after the completion of the Buy-Back, the non-promoter shareholding of the Company fall below the minimum level required as per Listing Regulations, the Company shall bring the public shareholding to twenty five per cent within a maximum period of ninety days from the date of completion of the Buy-Back in the manner specified by SEBI from time to time.
- A copy of this Public Announcement is available on the Company's website (www.groupcheviot.net) and is expected to be available on the websites of SEBI (www.sebi.gov.in), and BSE (www.bseindia.com) during the Buy-Back period.

2. NECESSITY FOR THE BUY-BACK:

- Share Buy-Back is the acquisition by a Company of its own shares. The objective is to return surplus cash to the shareholders of the Company. The Board at its meeting held on 8th September, 2020, considered the free reserves as well as the cash liquidity reflected in the standalone audited financial statements as on 31st March, 2020 and decided to allocate a sum of ₹ 18,00,00,000/- (Rupees Eighteen Crores Only) excluding Company's transaction costs such as filing fees payable to SEBI, advisors/legal fees, newspaper publication expenses, brokerage, applicable taxes such as income tax, securities transaction tax, goods and service tax, etc., stamp duty and other incidental expenses for returning to the shareholders holding Ordinary Shares of the Company through the Buy-Back.
- After considering several factors and benefits to the members holding Ordinary Shares of the Company, the Board decided to recommend Buy-Back of up to 2,00,000 (Two Lakhs) fully paid-up Ordinary Shares (representing 3.09% of the total number of paid-up Ordinary Share Capital of the Company) at a price of ₹ 900/- (Rupees Nine Hundred Only) per Ordinary Share. The Company's management strives to increase the shareholders' value and the Buy-Back would result in the following benefits, amongst other things:
 - the Buy-Back will help the Company to return surplus cash to its shareholders holding Ordinary Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
 - the Company believes that the reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the Buy-Back Regulations;
 - the Buy-Back would help in improving return on equity by reduction in the share capital base and increasing shareholder value in the longer term;
 - the Buy-Back gives an option to the shareholders holding Ordinary Shares of the Company, who can choose to participate and get cash in lieu of Ordinary Shares to be accepted under the Buy-Back offer or they may choose not to participate and be benefitted of a resultant increase in their percentage shareholding, post the Buy-Back offer, without additional investment;
 - the Buy-Back will help in achieving an optimal capital structure.

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES:

- The maximum amount required for Buy-Back will not exceed ₹ 18,00,00,000/- (Rupees Eighteen Crores Only) excluding Company's transaction costs. The said amount works out to 3.88% of the aggregate paid-up capital and free reserves of the Company as per latest audited standalone financial statements as on 31st March, 2020 which is within the prescribed limit of 10%. The Company does not prepare consolidated financial statements.
- The funds for the implementation of the proposed Buy-Back will be sourced out of the free reserves of the Company (i.e., current surplus, cash balances, internal accruals, retained earnings) and/or such other sources as may be permitted by the Buy-Back Regulations or the Act.
- The Company shall transfer from its free reserves, a sum equal to the nominal value of the Ordinary Shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in the subsequent audited financial statements. The funds borrowed, if any, from banks and financial institutions will not be used for the Buy-Back.

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

- The Ordinary Shares of the Company are proposed to be bought back at a price of ₹ 900/- (Rupees Nine Hundred only) per Ordinary Share ("Buy-Back Price"). The Buy-Back Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the shares on the BSE, where the shares of the Company 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 Buy-Back Price represents: (i) Premium of 50.33% to the volume weighted average market price of the share on BSE during the three months preceding 3rd September, 2020, being the date of intimation to BSE for the Board Meeting to consider the proposal of the Buy-Back; (ii) Premium of 36.97% over the closing price of the share on BSE, as on 3rd September, 2020 being the date on which the Company intimated to BSE Limited of the date of the meeting of the Board of Directors wherein proposal of the Buy-Back was considered.

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-Back up to 2,00,000 (Two lakhs) fully paid-up Ordinary Shares of face value of ₹ 10/- (Rupees Ten) each of the Company.

6. DETAILS OF PROMOTER SHAREHOLDING AND OTHER DETAILS

- The aggregate shareholding of the promoter and of the Directors of the promoters, where the promoter is a Company and of persons who are in control of the Company i.e. Directors and Key Managerial Personnel of the Company as on the date of Board Meeting i.e. 8th September, 2020, are as follows:

(a) Aggregate shareholding of the Promoters and Promoter Group as on 8th September, 2020:

Sl. No.	Name of the Promoters and Promoter Group Company	No. of shares held	% Shareholding
1	Mr. Harsh Vardhan Kanoria	4,80,853	7.4356
2	Mrs. Malati Kanoria	3,98,776	6.1665
3	Mr. Utkarsh Kanoria	2,53,009	3.9124
4	Harsh Investments Private Limited	37,02,445	57.2525
5	Abhyadoot Finance and Investments Private Limited	12,946	0.0002
6	Cheviot Agro Industries Private Limited	1,296	0.0032
7	Cheviot International Limited	208	0.0020
	Total	48,49,533	74.9904

(b) Aggregate shareholding of the Directors of Promoter Companies as on 8th September, 2020:

Sl. No.	Name of the Directors of Promoter Companies	No. of shares held	% Shareholding
Harsh Investments Private Limited			
1	Mr. Harsh Vardhan Kanoria	4,80,853	7.4356
2	Mrs. Malati Kanoria	3,98,776	6.1665
3	Mr. Utkarsh Kanoria	2,53,009	3.9124
Abhyadoot Finance and Investments Private Limited			
1	Mr. Harsh Vardhan Kanoria	4,80,853	7.4356
2	Mrs. Malati Kanoria	3,98,776	6.1665
Cheviot Agro Industries Private Limited			
1	Mr. Harsh Vardhan Kanoria	4,80,853	7.4356
2	Mrs. Malati Kanoria	3,98,776	6.1665
3	Mr. Madhup Kumar Patni	13	0.0002
4	Mr. Abhishek Murarka	6	0.0001
Cheviot International Limited			
1	Mrs. Malati Kanoria	3,98,776	6.1665

(c) Aggregate shareholding of the persons who are in control of the Company i.e. Directors and Key Managerial Personnel of the Company as on 8th September, 2020:

Sl. No.	Name of the Directors and Key Managerial Personnel	No. of shares held	% Shareholding
1	Mr. Harsh Vardhan Kanoria, Chairman and Managing Director	4,80,853	7.4356
2	Mrs. Malati Kanoria, Non-executive Director	3,98,776	6.1665
3	Mr. Utkarsh Kanoria, Wholtime Director	2,53,009	3.9124
4	Mr. Madhup Kumar Patni, Chief Financial Officer	13	0.0002
5	Mr. Aditya Banerjee, Company Secretary	15	0.0002

- No shares in the Company were either purchased or sold (either through the Stock Exchange or off market transactions) by any of the (i) promoters; (ii) directors of the promoter, where such promoter is a Company and persons who are in control of the Company i.e. Directors and Key Managerial Personnel of the Company during a period of six months preceding the date of the Board Meeting at which the Buy-Back was approved i.e. 8th September, 2020 and from the date of the Board Resolution till the date of this Public Announcement.

7. INTENTION OF PROMOTERS AND PERSONS IN CONTROL OF THE COMPANY TO TENDER SHARES FOR BUY-BACK

- The Promoters and Promoter Group have expressed their intention to participate in the Buy-Back vide their letters dated 7th September, 2020 and may tender up to their aggregate maximum shareholding or such lower number of Ordinary Shares in accordance with the provisions of the Buy-Back Regulations:

Sl. No.	Name of the promoters and promoter group	No. of shares held	Maximum number of shares intended to tender
1	Harsh Investments Private Limited	37,02,445	37,02,445
2	Abhyadoot Finance and Investments Private Limited	12,946	12,946
3	Cheviot Agro Industries Private Limited	1,296	1,296
4	Cheviot International Limited	208	208
5	Mr. Harsh Vardhan Kanoria	4,80,853	4,80,853
6	Mrs. Malati Kanoria	3,98,776	3,98,776
7	Mr. Utkarsh Kanoria	2,53,009	2,53,009
	Total	48,49,533	48,49,533

- The details of the date and price of acquisition of the Ordinary Shares that the Promoters intend to be tendered are set-out below:

1. HARSH INVESTMENTS PRIVATE LIMITED

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	2,31,040	-
12.05.2008	Scheme of Amalgamation	10	18,80,961	-
13.09.2017	Buy-Back	10	(1,05,784)	(15,86,76,000)
31.08.2018	Bonus Issue	10	12,34,148	-
	Total		37,02,445	

2. ABHYADOOT FINANCE AND INVESTMENTS PRIVATE LIMITED

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	3,000	-
13.09.2017	Buy-Back	10	(369)	(5,53,500)
31.08.2018	Bonus Issue	10	4,315	-
	Total		12,946	

3. CHEVIOT AGRO INDUSTRIES PRIVATE LIMITED

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	100	-
09.09.2010	Scheme of Amalgamation	10	600	-
13.09.2017	Buy-Back	10	(36)	(54,000)
31.08.2018	Bonus Issue	10	432	-
	Total		1,296	

4. CHEVIOT INTERNATIONAL LIMITED

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	50	-
13.09.2017	Buy-Back	10	(11)	(16,500)
31.08.2018	Bonus Issue	10	69	-
	Total		208	

5. MR. HARSH VARDHAN KANORIA

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	86,601	-
15.12.2009	Market Purchase	10	1,720	395,155.38
16.12.2009	Market Purchase	10	4,308	1,012,553.28
17.12.2009	Market Purchase	10	11,134	2,814,745.83
18.12.2009	Market Purchase	10	6,341	1,649,417.83
21.12.2009	Market Purchase	10	2,625	689,968.34
22.12.2009	Market Purchase	10	1,031	268,696.25
23.12.2009	Market Purchase	10	4,617	1,202,967.08
24.12.2009	Market Purchase	10	1,370	357,086.66
29.12.2009	Market Purchase	10	1,050	273,679.90
30.12.2009	Market Purchase	10	285	74,285.39
05.01.2010	Market Purchase	10	930	242,402.38
26.07.2010	Market Purchase	10	8,289	2,565,633.94
27.07.2010	Market Purchase	10	3,958	1,249,899.79
04.08.2010	Market Purchase	10	12,122	3,897,443.92
05.08.2010	Market Purchase	10	9,257	3,115,310.94
21.09.2010	Market Purchase	10	15,000	5,962,710.77
13.09.2017	Buy-Back	10	(23,271)	(3,49,06,500)
31.08.2018	Bonus Issue	10	1,60,284	-
	Total		4,80,853	

6. MRS. MALATI KANORIA

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	95,050	-
13.09.2017	Buy-Back	10	(19,299)	(2,89,48,500)
31.08.2018	Bonus Issue	10	1,32,925	-
	Total		3,98,776	

7. MR. UTKARSH KANORIA

Date of transaction	Nature of transaction	Face Value per share (₹)	No. of Ordinary shares	Consideration (In ₹)
Balance as on 1st April, 2005				
23.09.2006	Bonus Issue	10	56,730	-
13.09.2017	Buy-Back	10	(11,518)	(1,72,77,000)
31.08.2018	Bonus Issue	10	79,336	-
30.10.2018	Market Purchase	10	15,000	1,04,15,895
	Total		2,53,009	

8. NO DEFAULTS

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

9. CONFIRMATION BY THE BOARD OF DIRECTORS

The Board of Directors of the Company have confirmed that they have made a full enquiry into the affairs and prospects of the Company and have formed the opinion that:

- Immediately following the Board meeting held on 8th September, 2020, 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 and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy-Back;
- In forming an opinion for the above purposes, the Board of Directors have taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code, 2016.

10. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the Report dated 8th September, 2020 of M/s Singh & Co., the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

-- QUOTE --

To
The Board of Directors
Cheviot Company Limited
24, Park Street, Magma House (9th Floor), Kolkata - 700 016

Dear Sir/ Madam,

Statutory Auditor's Report in respect of proposed Buy-back of ordinary shares by Cheviot Company Limited (the "Company") in terms of the clause (x) of Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) ("the SEBI Buy-back Regulations")

- The Board of Directors of the Company have approved a proposal for buyback of up to 2,00,000 fully paid-up ordinary shares of ₹ 10/- each for an aggregate consideration of ₹ 1,800.00 lakhs (Rupees Eighteen Hundred Lakhs only) at its meeting held on September 8, 2020 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the "Act") and the SEBI Buy-back Regulations. We have been requested by the Management of the Company to provide a report on the accompanying statement of permissible capital payment (including premium) ("Annexure A") as at March 31, 2020 (hereinafter referred to as the "Statement"). This statement has been prepared by the Management, which we have initiated for the purposes of identification only.

Management's Responsibility

- The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the SEBI Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

Auditor's Responsibility:

- Pursuant to the requirement of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance:
 - whether we have inquired into the state of affairs of the Company in relation to the audited financial statements as at March 31, 2020;
 - if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited financial statements as at March 31, 2020 in accordance with Section 68(2) of the Companies Act, 2013; and
 - if the Board of Directors of the Company, in their meeting held on September 8, 2020 have formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of declaration adopted by the Board of Directors.
- The financial statements referred to in paragraph 3 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated June 05, 2020. We conducted our audit of the financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of

Continued from previous page

- 11.8 The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999 and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.
- 11.9 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buy-Back. Multiple bids made by a single Eligible Shareholder for selling Ordinary Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.
- 11.10 The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- 11.11 Procedure to be followed by shareholders holding Demat Shares:
- Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buy-Back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Ordinary Shares they intend to tender under the Buy-Back.
 - The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wishes to tender Demat Shares in the Buy-Back using the Acquisition Window of the BSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Demat Shares to the special account of Indian Clearing Corporation Limited (the "Clearing Corporation"), by using the early pay in mechanism prior to placing the bid by the Shareholder Broker. The details of the special account shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.
 - Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Ordinary Shares tendered etc.
 - In case of non-receipt of the completed tender form and other documents, but receipt of Ordinary Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Ordinary Shareholder shall be deemed to have been accepted.
- 11.12 Procedure to be followed by the shareholders holding Physical Shares:
- In accordance with the SEBI circular no. SEBI/HO/CFD/GMD1/CIR/P/2020/144 dated July 31, 2020, the shareholders holding Physical Shares are allowed to tender their shares in the Buy-Back. However, such tendering shall be as per the provisions of the Buy-Back Regulations.
 - Eligible Shareholders who are holding Ordinary Shares in physical form and intend to participate in the Buy-Back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include:
 - Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares),
 - Original share certificate(s),
 - Valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorising the transfer in favour of the Company,
 - Self-attested copy of PAN Card(s) of all Eligible Shareholders, and
 - Any other relevant documents such as power of attorney, corporate authorisation (including board resolution/specimen signature), notarised copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable.In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
 - Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Ordinary Shares in physical form who wish to tender Ordinary Shares in the Buy-Back, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Ordinary Shares tendered etc.
 - Any Shareholder Broker/Eligible Shareholder who places a bid for physical Ordinary Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-Back i.e. Maheshwari Datamatics Private Limited (at the address mentioned at paragraph 14 below) not later than 2 (two) days from the offer closing date. The envelope should be super scribed as "Cheviot Company Limited Buy-Back 2020". One copy of the TRS will be retained by Registrar to the Buy-Back and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.
 - The Eligible Shareholders holding Ordinary Shares in physical form should note that physical Ordinary Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Ordinary 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. The Registrar to the Buy-Back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buy-Back confirms the bids, they will be treated as 'confirmed bids'.
 - In case any Eligible Shareholder has submitted Ordinary Shares in physical form for dematerialisation, such Eligible Shareholder should ensure that the process of getting the Ordinary Shares dematerialised is completed well in time so that they can participate in the Buy-Back before the closure of the tendering period of the Buy-Back.

11.13 METHOD OF SETTLEMENT

Upon finalisation of the basis of acceptance as per Buy-Back Regulations:

- The Company will pay the consideration to the Company's Broker who will transfer the consideration pertaining to the Buy-Back to the Clearing Corporation's Bank account as per the prescribed schedule. The settlements of fund obligation for Demat and Physical Shares shall be affected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buy-Back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI")/ relevant bank, due to any reasons, then the amount payable to that shareholder will be transferred to the Shareholder Broker for onward transfer to such Eligible Shareholder.
- The Demat Shares bought back would be transferred directly to the Demat Escrow Account of the Company opened for the Buy-Back provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Ordinary Shares from the clearing and settlement mechanism of BSE.
- The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buy-Back.
- Excess Ordinary Shares held in dematerialised form or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the Eligible Shareholders directly by the Registrar to the Buy-Back. The Company is authorised to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the Eligible Shareholders in the Buy-Back.
- In case of certain Eligible Shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
- The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Ordinary Shares in the Buy-Back. The Company's Broker would also issue a contract note to the Company for the Ordinary Shares accepted under the Buy-Back.
- Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the Eligible Shareholders for tendering Ordinary Shares in the Buy-Back. The Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- The ordinary shares lying to the credit of the Company Demat Escrow Account and the ordinary shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buy-Back Regulations.

12. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- 12.1 As required under the Buy-Back Regulations, the Company has fixed Friday, 18th September, 2020, as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders.
- 12.2 The Ordinary Shares to be bought back are divided in two categories:
- Reserved category for small shareholders; and
 - General category for all other shareholders.
- 12.3 As defined in Regulation 2(i)(n) of the Buy-Back Regulations, a "small shareholder" means a shareholder of a Company, who holds shares whose market value, on the basis of closing price of shares on BSE Limited as on record date is not more than two lakh rupees. In accordance with Regulation 6 of the Buy-Back Regulations, 15% (Fifteen percent) of the number of Ordinary Shares which the Company proposes to Buy-Back or such number of Ordinary Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buy-Back.
- 12.4 Based on the shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Ordinary Shares in the Buy-Back. This entitlement for each shareholder will be calculated based on the number of Ordinary Shares held by the respective shareholder as on the Record Date and the ratio of Buy-Back applicable in the category to which such shareholder belongs.
- 12.5 In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Ordinary Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buy-Back Entitlement. In case of joint shareholding, the Ordinary Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-Back will check the sequence of the names of the joint holders and club together the Ordinary Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Ordinary Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buy-Back as per the shareholder records received from the Depositories. Further, the Ordinary Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Ordinary Shares are assumed to be held on behalf of clients.

12.6 The Eligible Shareholders participation in the Buy-Back will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Ordinary Shares to be accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional Ordinary Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

12.7 The maximum tender under the Buy-Back by any shareholder cannot exceed the number of Ordinary Shares held by the shareholders as on the Record Date.

12.8 The Ordinary Shares tendered as per the entitlement by Eligible Shareholders as well as additional Ordinary Shares tendered, if any, will be accepted as per the procedure laid down in Buy-Back Regulations.

12.9 Detailed instructions for participation in the Buy-Back (Tendering of Ordinary Shares in the Buy-Back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible shareholders and the Company shall comply with the SEBI circular no. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 read with SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, as applicable.

13. COMPLIANCE OFFICER

Mr. Aditya Banerjee,

Company Secretary and Compliance Officer

Magma House (9th Floor), 24, Park Street, Kolkata - 700016

Tel: +91 82320 87911/12/13;

Fax: +91 33 22497269/22172488

Email: investorservices@chevijute.com

Website: www.groupcheviot.net

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.30 p.m. on all working days except Sunday and public holidays.

14. INVESTORS SERVICE CENTRE AND REGISTRAR TO THE BUY-BACK

In case of any grievance or assistance, please contact the Registrar to the Buy-Back on any day except holidays between 10.00 a.m. and 5.00 p.m. by email at mdpldc@yahoo.com or at the following address:



Maheshwari Datamatics Private Limited

CIN: U20221WB1982PTC034886

SEBI REGN No.: INR000000353

Validity of Registration: Permanent

(Contact Person: Mr. S. Rajagopal)

23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001

Tel. No.: 033 2248 2248

Fax No.: 033 2248 4787

Email Id: mdpldc@yahoo.com

Website: www.mdpl.in

15. MANAGER TO THE BUY-BACK



VC CORPORATE ADVISORS PRIVATE LIMITED

CIN: U67120WB2005PTC106051

SEBI REGN No.: INM00011096

Validity of Registration: Permanent

(Contact Person: Ms. Urvi Belani/ Mr. Premjeet Singh)

31, Ganesh Chandra Avenue, 2nd Floor, Suite No. -2C, Kolkata-700 013

Tel. No.: 033- 2225 3940

Fax No.: 033 2225 3941

Email Id: mail@vccorporate.com

Website: www.vccorporate.com

16. DIRECTORS' RESPONSIBILITY

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

For and on behalf of the Board of Directors of
CHEVIOT COMPANY LIMITED

Sd/-
Mr. Harsh Vardhan Kanoria
Chairman and Managing Director
DIN: 00060259

Sd/-
Mr. Utkarsh Kanoria
Wholtime Director
DIN: 06950837

Sd/-
Mr. Aditya Banerjee
Company Secretary and Compliance Officer
ACS 34468

Date: 9th September, 2020

Place: Kolkata