Project on
"Buy Back of Shares"

Contents

INTRODUCTION

Competitive forces with the unleashing of the liberalisation policies have made corporate restructuring as a necessity for survival and growth. Operational, financial and managerial strategies are employed to maintain competitive edge and turnaround a sickened performance. Financial restructuring involves either internal or external restructuring (i.e. Mergers and Acquisitions). In the internal restructuring an existing firm undergoes through a series of changes in terms of composition of assets and liabilities. Section 77A, 77B and 77AA now allow companies to buy back their shares following the recommendations of committee on corporate restructuring, which was set up by the government to propose various strategies to strengthen the competitiveness of the banking and finance sector, companies are now allowed to repurchase their own shares. This will enable the companies to catch up with other developed markets as part of the government's moves to liberalize the local market and hence emerged the concept of SHARE BUY BACK in the Indian corporate scenario.

Share Buyback is a financial tool for financial re-engineering. It is described as a procedure that enables a company to purchase shares from the shareholders. The rationale behind buyback of shares is to boost demand by reducing the supply, which in theory should push the price up. The repurchase of shares reduces the number of shareholders, which in turn enhances the earnings per share (EPS), and thus improves investors sentiments.

SHARE BUY BACK: AN OVERVIEW

SHARE BUY-BACK: OBJECTIVES

A company may decide to buy back its shares for one of the following reasons:

- To return surplus cash to shareholders as an alternative to a higher dividend payment or investing the surplus cash in existing or new operations.

- Adjust or change the company's capital structure quickly, say for those companies seeking to increase its debt/equity ratio.

- To increase earnings per share and net asset value per share as a possible signal to the market place that management is of the view that the prospects of the company justify a market price higher than that currently accorded by the market.

- To improved the various performance parameters like EPS,DPS, operating cash flow per share, etc.

- To thwart the attempts of a hostile takeover.

SHARE BUY-BACK: POSITIVE ASPECTS

- The market generally interprets share buy-backs as positive signal.
- Shareholders have a choice of deciding whether or not to receive the payout by selling or holding their shares, unlike a dividend payout.
- Returning excess cash by way of a share buy-back gives a company greater flexibility with regard to its dividend policy
- Share buy-backs could enable a company to achieve its desired capital structure more quickly or facilitate a major restructuring
- A share buy-back could avert a hostile takeover bid by reducing the number of shares in circulation.

SHARE BUY-BACK: NEGATIVE ASPECTS

- The repurchase of its own shares may conversely have a negative signaling effect as the market place may think that the company has fewer growth opportunities after a share buy-back, due to erosion of cash resources.

- Management may not seek to utilize any existing excess cash effectively by acquiring new investments or developing profitable markets.

- Possible mismanagement may arise if too high a price is paid for the re-purchased shares, to the detriment of remaining shareholders, or if cash resources are eroded to the level that could give rise to a risk of insolvency at the expense of its creditors.

- If buy-back is undertaken by replacing shares with debt in cases where companies do not have adequate funds for buy-back of shares, the proposal may misfire on the company.

- A return of funds by way of a share buy-back is less certain than an annual dividend stream.

WHICH COMPANIES SHOULD CONSIDER A SHARE BUY-BACK?

A company with some of the following characteristics may find a share buy-back scheme feasible:

- A company that has a high net surplus cash position may consider a share buyback.

- A company that has a low debt/equity ratio may go in for a share buyback for the purpose of increasing the ratio.

- A company, which does not, has a high capital expenditure requirements in future may go in for a share buyback.

- A company with a High dividend yield may also consider for a share buyback.

- The company, which is of view, that the intrinsic value of the shares of the company is substantially higher than the market price of the shares of the company may consider for a share buyback.

SEBI REGULATIONS, 1998 FOR BUYBACK OF SECURITIES

The SEBI Regulations, 1998 prescribed specific practical requirements and procedures applicable to listed companies going for buy-back of shares/securities.

Company may buy back it own shares:-

1) A company may buy-back its shares by any one of the following methods
   a) From the existing shares on a proportionate basis through the tender offer;
   b) From open market through Stock Exchange;
   c) From open market through Book-Building;
   d) From odd-lot holders

2) A company shall not buy back its shares from any person through negotiated deals, whether on or off the stock exchange or through spot transactions or through any private arrangement.

3) Any person or an insider shall not deal in securities of the company on the basis of unpublished information relating to buy-back of shares of the company.

4) A company shall not:
   a) Issue any shares including bonus issue till the date of closure of the offer for buy-back
   b) Withdraw the buy-back offer when the draft letter of offer is filed with SEBI or public announcement of the offer is made

BUYBACK THROUGH TENDER OFFER

1) Firstly, it is expedient to obtain approval of shareholders for buy-back by a special resolution. The explanatory statement to be annexed to the notice of the general meeting, for the purpose of passing the special resolution. The notice shall broadly contain the following information:
   - ✓ Maximum price at which the buy back shall be made and whether Board of Directors is authorized at General Meeting to determine subsequently the specific price at which buy back my be made at appropriate time.
   - ✓ Number of shares/ securities that the company proposes to buy.
   - ✓ If promoters are participating in the offer quantum of shares proposed to be tendered; and
   - ✓ Details of their transactions and their holdings for the last six months prior to the passing of the special resolution for buy back including information of number of shares acquired, the price and the date of acquisition.

2) The company should file a copy of special resolution with SEBI and concerned stock exchanges where the shares of the company are listed within 7 days of passing such resolution.

3) The company should file a Declaration of Solvency with SEBI in the prescribed form, duly verified by an affidavit.

4) The company should nominate a compliance officer and an investor service centre for compliance with the buy back regulations and to redress the grievances of the investors.

5) The company should make a public announcement of buy back. In the public announcement, the company has to select a record date referred to as ‘specified date’, which shall be the date for the purpose, of determining the names of shareholders to whom the letter of offer shall be sent.

6) The company should file a draft letter of offer with SEBI within 7 days of public announcement through a merchant banker not associated with the company. The company should issue the letter of offer to the shareholder after incorporating the change, if any suggested by SEBI.

7) The date of opening the offer shall not be earlier than 7 days or later than 30 days after the ‘specified date’.
8) The company shall on or before the opening of offer, deposit in an escrow account
   - ✓ 25% of the consideration payable, where the maximum amount payable under the buyback is less than Rs. 100 crores; or
   - ✓ 10% of the consideration payable where the maximum amount is in excess of Rs. 100 crores

9) The escrow can be in the form of
   - ✓ Cash deposited with a scheduled commercial bank
   - ✓ Bank guarantee in favour of merchant banker
   - ✓ Deposit of acceptable securities with merchant banker
   - ✓ Any combination of the above

If the escrow is in the form of bank guarantees or acceptable securities, the company shall also deposit with the bank in cash a sum of at least 10% of the total consideration payable.

In the event of non-fulfillment of obligations prescribed in the Regulations, SEBI may forfeit the escrow account either in full or in part. The amount so forfeited may be distributed pro rata amongst the shareholders who have accepted the offer and balance remaining, if any, should be utilized for investor protection.

10) The offer shall remain open to the members for a period of at least 15 days but not more than 30 days.

11) Verify the offers received and communicate acceptance rejection within 15 days of the closure of offer.

12) Make payment to the shareholders, whose offer for buy back has been accepted within 7 days from the date of completion of verification. The amount lying in escrow is allowed to be utilized for the purpose of making the payment.

13) File the particulars of share certificates that are extinguished and destroyed with stock exchanges within 7 days.

9)

BUYBACK FROM OPEN MARKET THROUGH STOCK EXCHANGE

1) The company should obtain approval of shareholders for buy back by a special resolution. The explanatory statement to be annexed to the notice of the general meeting for the purpose of passing the special resolution for buy back. The notice shall broadly contain the following information:
   - ✓ Maximum price at which the buy back would be made.
   - ✓ Number of shares/securities that the company proposes to buy.
   - ✓ Since the promoters are not permitted to participate in the buy back, the information regarding their shareholding etc., is not required to be given.

2) File a copy of special resolution with SEBI and concerned stock exchanges where the shares of eh company are listed within 7 days of passing such resolution.

3) File a Declaration of Solvency with SEBI in the prescribed form, duly verified by an affidavit.

4) Nominate a compliance officer and an investor service center for compliance with the buy back regulations and to redress the grievances of the investors.

5) Appoint a merchant banker.

6) Make a public announcement of buy back (at least 7 days prior to commencement of buy back). Public announcement shall also contain disclosures regarding details of brokers, stock exchanges

through which the buy back of shares would be made and appointment of merchant banker.

7) Copy of public announcement, along with the fees, to be filed with SEBI within 2 days of making the announcement.

8) Buy back shall be made:
   - ✓ Only on stock exchanges with electronic trading facility; and
   - ✓ Only through the order matching mechanism except “all or none” order matching system

   The identity of the company as a purchaser shall appear on the electronic screen when the order is placed.

9) The company and merchant banker to furnish the information to the stock exchange on a daily basis regarding the shares purchased for buy back. Such information shall also be published in a national daily.

10) The company to complete verification of acceptances within 15 days of the payout.

11) File the particulars of share certificates that are extinguished and destroyed with stock exchanges within 7 days.

BUYBACK FROM OPEN MARKET THROUGH BOOK-BUILDING

1) Obtain approval of shareholders for buy-back by a special resolution. The explanatory statement to be annexed to the notice of the general meeting for the purpose of passing the special resolution for buy-back. The notice shall broadly contain the following information:
   - ✓ Maximum price at which the buy-back would be made
   - ✓ Number of shares/securities that the company proposes to buy

2) File a copy of special resolution with SEBI and concerned stock exchanges where the shares of the Company are listed within 7 days of passing such resolution.

3) File a Declaration of Solvency with SEBI in the prescribed form, duly verified by an affidavit.

4) Nominate a compliance officer and an investor service center for compliance with the buy-back regulations and to redress the grievances of the investors.

5) Appoint a merchant banker.

6) The company shall, before public announcement, deposit in an escrow account: -
   - ✓ 25% of the consideration payable where the maximum amount payable under the buy back is less than Rs. 100 crores; or
   - ✓ 10% of the consideration payable where the maximum amount in excess of Rs. 100 crores.

The amount of deposit shall be determined with reference to the maximum price specified in the public announcement.

7) The escrow can be in the form of: -
    - ✓ Cash deposited with a specified commercial bank
    - ✓ Bank guarantee in favour of merchant banker
    - ✓ Deposit of acceptable securities with merchant banker
    - ✓ Any combination of the above

8) Make public announcement of buy-back (at least 7 days prior to commencement of buy-back). Public announcement shall also contain disclosures regarding detailed book building process, the manner of acceptance, the format of acceptance to be sent by the shareholders, details of the bidding centers and appointment of merchant banker.

9) Copy of the public announcement along with the fees, to be filed with SEBI within 2 days of making the announcement.

10) Book-Building process shall be made through an electronically linked transparent facility. The number of bidding centers shall not be less than 30 and there shall be at least one electronically linked computer terminal at all bidding centers.

11) The offer shall remain open to the members for a period of at least 15 days but not more than 30 days.

12) Verify the offers received and communicate acceptance/rejection within 15 days of the closure of offer.

13) The merchant banker and the company shall determine the buy-back price based on acceptances received. The final buy-back price shall be the highest price accepted for buy-back.

14) Make payment to the shareholders whose offer for buyback has been accepted, within 7 days from the date of completion of verification. The amount lying in escrow is allowed to be utilized for the purpose of making the payment.

15) File the particulars of share certificates that are extinguished and destroyed with stock exchanges within 7 days.

BUYBACK OF SHARES BY PRIVATE LIMITED COMPANIES OR UNLISTED COMPANIES

The following are the methodologies and procedures that would be required in relation to buy back of shares by private limited companies or unlisted companies: -

1) Special resolutions, explanatory statement, solvency declaration, register maintenance, etc. should be done.

2) The company should make a Letter of Offer to the shareholders after the resolution is passed as also file a copy of the same with the Registrar of Companies.

3) The letter of offer should be sent to the shareholders within 21 days of filing of the Return with the Registrar of Companies.

4) The letter of offer filed with ROC should disclose the company's pre and post buyback debt equity ratio.

5) A minimum period of 15 days and a maximum period of 30 days should be allowed to the shareholders for acceptance of the offer.

6) If the shares accepted under buyback by shareholders are more than the shares under offer by the company for buy back, a proportionate number of shares only can be bought back.

7) The company should verify within 15 days of acceptance of buy back offer from the shareholders and rejection, if any, should be conveyed within 21 days.

8) The payment should be made within 7 days of completion of acceptance of offer for buy back by way of opening escrow account with a bank and consideration should be made in by cash or demand draft or by pay order. In case of rejection, share certificates should be returned to the shareholders.

9) It is provided that the letter of offer should contain true, factual and material information and that it should not be misleading in any manner, for which the directors should accept the responsibility.

10) The letter of offer is not permitted to be withdrawn.

11) No funding is permissible from banks/ financial institutions.

12) Within 7 days of completion of buy back, that is payment of consideration, certificates of shares that are bought back should be extinguished/physically destroyed within 7 days.

13) A certificate is to be sent to the ROCs and should be signed by two whole time directors (including a managing director and a practicing company secretary) certifying that the rules relating to buy back have been complied with and this certificate is to be filed within 7 days.

CONDITIONS TO BE FOLLOWED IN CASE OF BUY BACK OF SHARES

Companies Act 1956, provides in section 77A, 77AA, and 77B the conditions to be followed in case of buyback of shares by the company:

1) The buyback should be authorized by the Articles of Association of the company;

2) It is to be made from the existing security holders on a proportionate basis, through open market, holding odd lots or purchasing securities issued to the employees pursuant to a scheme of stock option;

3) The sources of funds for such a buyback are free reserves, premium account, or the proceeds of any shares or specified securities;

4) A special resolution has to be passed;

5) The notice of the meeting at which special resolution is proposed to be passed shall be accompanied by an explanatory statement stating a full and complete disclosure of all material facts, the necessity for the buy-back, the class of securities intended to be purchased under the buyback, the amount to be invested under the buy back and the time limit for completion of buy-back;

6) The buy-back should not exceed 25% of the total paid-up share capital and free reserves of the company and buy-back of equity shares in any financial year should not exceed 25% of the total paid-up equity share in that financial year;

7) The debt-equity ratio should not exceed 2:1 after such buyback;

8) All shares or specified securities for buyback should be fully paid up.

9) The buyback has to be completed within12 months from the date of passing of the special resolution;

10) A Declaration of Solvency has to be made by the Board of directors, before the buyback, to the effect that they have made full inquiry into the affairs of the company and have formed an opinion that the company is capable of meeting its liabilities and will be rendered within a period of one year from the date of the Declaration. Such declaration has to be signed by at least two directors, one of whom shall be managing directors, if any. It has the to be filed with the concerned Registrar of Companies and SEBI;

11) Where shares have been bought back from free reserves, a capital redemption reserve account has to be created which would be equal to nominal value of the shares bought back. This Reserve can be used, among others, for issue of bonus shares;

12) The shares have to be extinguished and physical destroyed within 7 days after buy back;

13) No further issue of same kind of securities is permitted within 24 months of completion of buy-back except by way of bonus issue or discharge of existing obligations such as conversion of warrants, preference shares, debentures, etc;

14) The company has to maintain a register of securities bought back and file a return with the concerned ROC and SEBI within 30 days of completion of buy back;

15) If a company makes a default in complying with the provisions of this section, the company or any officer of the company who is in default shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to fifty thousand rupees, or with both;

16) The company is not directly or indirectly allowed to purchase its own securities through subsidiaries or investment companies;

17) A buyback cannot be effected where there is default by the company in repayment of deposit or interest, redemption of debentures or preference shares, payment of dividend, or repayment of loan or interest to financial institution or bank;

18) All the buyback of the shares or other specified securities should be in accordance with the regulations made by the SEBI.

INCOME TAX LAWS FOR BUYBACK

Capital gain on purchase by a company of its own shares/securities [Sec.46A]: -

This section has been inserted with effect from the assessment year 2000-2001. It provides that any consideration received by a shareholder or a holder of other specified securities from any company on purchase of its own shares or other specified securities held by such shareholder or holder of other specified securities shall be chargeable to tax on the difference between the cost of acquisition and the value of consideration received by the holder of securities or by the shareholder, as the case may be, as capital gains.

“Specified securities” includes employees’ stock option or other securities as may be notified by the Central Government.

ACCOUNTING FOR BUYBACK OF SHARES

Accounting for the buyback of shares is done by keeping in mind the general accounting principles as there are not such accounting guidelines are available. The following are the most appropriate accounting effects: -

1) **Shares bought at a premium: -** If the shares are bought back at a premium over the face value of the shares, then the shares are required to be broken into face value and premium paid.

    - ✓ Face value portion will go to cancel paid-up equity capital and

    - ✓ Premium paid will reduce share premium account and free reserves. If inadequate balance exists in free reserves/share premium account, then the difference may be carried to balance sheet on Assets side as a separate item to be set-off against free reserves/share premium account generated in future. In fact buy back done in such circumstances would not be prudent.

2) **Shares bought at a discount: -** If they are bought back at a discount (i.e. at less than the paid-up par value), then the discount may be added back to the free reserves. The same cannot be credited to profit and loss account.

3) **Directors Report:-** The directors report should give details/information on shares bought back and further shares pending to bought back based on enabling resolution passed.

4) **Notes to Accounts and Schedule to Share Capital: -** Disclosure of share bought back should also be done in Notes to Accounts and Schedule of share capital by giving the following details:

- ✓ Number of shares bought back with price paid;
- ✓ Effect on equity share capital and free reserves;
- ✓ Treatment of discount on shares bought back.

A BUYBACK PRICING MODEL

The objective of the pricing model is to determine what is the premium over the current market price that a company can pay-back of shares, so that there is no price drop post buy-back. There are two sets of factors acting against each other in influencing the post buy-back price:

Factors that increase the price

- Due to reduction in the number of outstanding shares, the EPS should go up, the other factors remaining the same.

- Buyback indicates that shares are undervalued i.e. below the intrinsic value, so buyback inculcates the confidence of the shareholders which leads to the increase in the share price.

Factors that decrease the price

- Reduction in the overall earnings of the company owing to deployment of funds for buy-back.

  Thus, for a given percentage of outstanding shares to be bought back , the buy-back price should be such that :

[Post buy-back price] > [Current price]

Therefore [Revised EPS] X [Post buy-back P/E] > [Current price]

[Revised EPS]= [Normal Earnings] – [Loss of earnings due to funds mobilized for buyback]

———————————————————————

[Reduced number of shares]

DIVIDEND OR A BUYBACK WHICH IS A BETTER OPTION

The choice between the two options – dividend and buyback would depend on the analysis of the various facets to which the company is exposed. The implications of such aspects are as follows: -

1) **Market price & Re-purchase price of the shares by the company:** The given example shall illustrate the repercussions of buying back the shares at various prices. The illustration has been developed to study the effect of the same on the residual shareholders. The underlying example assumes the P/E ratio to be constant and the profit in each case stands at the same level.

	Current	**Post buyback of shares**		
		Case-I	**Case-II**	**Case-III**
Price of buyback		**400**	**200**	**160**
Value upto which buyback to be done	50000000			
No. of shares which can be bought		125000	250000	312500
Net Profit	20000000	20000000	20000000	20000000
No. of shares after buyback	1000000	875000	750000	687500
Current Market Price	**150**			
Earnings Per Share(EPS)	20	23	27	29
P/E ratio (assumed constant)	7.5	7.5	7.5	7.5
Market Price after Buyback		**171**	**200**	**218**
Gain to shareholder in case of buyback (per share)		**21**	**50**	**68**
Gain to shareholder in case of dividend(per share)		**50**	**50**	**50**

a) **When shares are offered at Rs.400: -** Due to the high offer price being offered the number of shares that the company can buyback is a small percentage. As a result, the improvement in the EPS is only marginal. The market value of shares has seen an upward lift from Rs.150 to Rs.171. The capital gain to the shareholder is effectively Rs.21, which would be less as compared to the dividend the dividend payment of Rs.50 to be received by the shareholder. Thus, this kind of a situation would call for payment of dividend as against buyback.

b) **When shares are offered at Rs.200: -** The price when offered is lowered to Rs.200 the corpus of shares that could be bought back is widened, enhancing the EPS by 35% unlike in the previous case where it was a mearly 15%. This pulled the market price further up to Rs.200 giving the shareholder a capital gain of Rs.50, which would be same as receiving the dividend. The company is in the neutral position in this case.

c) **When shares are offered at Rs.160: -** In this case we can see that when a buyback is made at Rs.160 the share prices after buyback increases to Rs.218 per share. Here the net gain to a shareholder is Rs.68 per share whereas he would be receiving Rs.50 in case of the dividend. In such a case the company should go in for a share buyback.

Therefore the due consideration should be given to market price as well as to the repurchase price before deciding whether the company should go in for a buyback or declare a dividend.

2) **Taxation laws of the country: -** Another most important thing to be considered by the companies is the tax burden on the shareholders. Such tax burden can be in the form of capital gain tax or tax on dividend payment.

Thus the companies should consider the above factors before making a decision on whether they should go for buyback of shares or declare a dividend.

SHARE BUY-BACK AND PUBLIC SECTOR UNITS

Buy-backs of shares by public sector undertakings (PSU) is an attractive option. The reason is two fold: -

Firstly it gives the PSUs with a bloated equity base an opportunity to restructure their capital and add value for the remaining shareholders.

Secondly when the market undervalues shares of a number of PSUs, buy-back can correct such under-valuation and send a powerful signal to the market of PSUs faith in the intrinsic value of their shares. The buy-back of shares also gives a boost to the dis-investment programme of Government.

For example in some of the PSUs such as MTNL, HPCL, BPCL and others, the promoter holdings could be diluted through the buy-back route. These companies have large surplus funds .The sales of shares by the Government and once again back to the companies through the share buy-back would also help the disinvestment programme.

CASE STUDY

To see its impact in the practical environment a live case of Indian Rayon & Industries Pvt. Ltd., is to be studied in detail. The company is in the process of restructuring by hiving off some of its units and is also undergoing a share buy-back programme.

Indian Rayon Industries Limited (IRN Ltd.)

IRN Ltd. offers to buyback up to a maximum of 1,68,70,760 fully paid-up equity shares, representing upto 25% of the paid-up equity share capital of the company of face value Rs.10/- each from the open market through the book building process in accordance with the SEBI Regulations 1998 from the shareholders of the Company at a price range of Rs. 75 to Rs. 85 per equity share (the offer price range is arrived at based on stock exchange share price quotations, return on equity, earning per share, net worth and other relevant factors). The amount is to be payable in cash aggregating to Rs. 126.53 crores to Rs.143.41 crores and representing 0.45% and 11.84% of the paid-up capital and free resaves of the company as on March 31, 1999.

Rationale/Necessity for Buy Back

- The company currently has a cash surplus of over Rs.200 Crores, which is deployed in marketable and liquid financial instruments and would continue to enjoy healthy cash flow from its present businesses and therefore it is felt feasible to return surplus cash to its shareholders through the buyback process.

- The buyback is an excellent way to return the excess cash to the shareholders as it would continue to enjoy healthy cash flow from its present businesses and therefore it is felt feasible to return surplus cash to its shareholders through the buyback process.

- The buyback is an excellent mechanism for providing an exit opportunity to those shareholders who so desire, in a manner that does not substantially impact the market price of the Company's share or adversely affect the interests of the ongoing shareholders.

- The buyback is likely to also enhance the Earning Per Share of the Company in the future, and create long term Shareholder Value.

Capital Structure and shareholding pattern

	Pre Buyback		Post Buyback	
Particulars	No.of equity shares	% to the existing eq. Sh. Capital	No.of equity shares	% to post buyback eq. Share capital
Promoters, Persons acting in concert, Directors of the Co.	14,521,442	21.54%	14,521,442	28.69%
Public Fis/ Nationalized Banks & mutual Funds	17,535,209	25.99%	36,090,839 50,612,281	71.31% 100%
Share underlying GDRs	5,414,505	8.02%		
FIIs	3,113,703	4.61%		
Non-resident shareholding	1,093,158	1.62%		
Demat shares in transit with NSDL & CSDL	2,567,045	3.8%		
Public	23,237,979	34.44%		
Total	67,483,041	100%		

CONCLUSION

Companies as well as capital markets can be thus, rejuvenated by resorting to this excellent tool of financial re-engineering. However, anomalies and inconsistencies observed need to set right to enable companies to buy back their shares. While share buy-back brings a lot of cheers to the capital market it has been observed by some analysts that buy-backs are made at the cost of hard assets and often companies are forced to sell off their hard assets to mobilize funds for share buy-back exercises.

Shares buy-Back shall ensure that the companies resorting to buy-back adopt good corporate practices so that the introduction of the new provision does not result in any scam. In this regard SEBI has to play a crucial role in the regulation and guiding the buy-back of shares in India

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