

DRAFT LETTER OF OFFER**“This document requires your immediate attention”**

This Draft Letter of Offer (“DLOO”) is being sent to you as a Public Shareholder (as defined below) of Ganesh Films India Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer (as defined below) or the Registrar to the Offer (as defined below). In case you have recently sold your Equity Shares of the Target Company, please hand over this Draft Letter of Offer and the accompanying form of Acceptance-cum-Acknowledgement to the purchaser of the Equity Shares or the member of the stock exchange through whom the said sale was effected.

OPEN OFFER (“OPEN OFFER” / “OFFER”) BY

Name	Acquirers	Residential Address	Contact Details	Email Address
Rajiv Vashisht	Acquirer 1	110 Sector 21, VTC: Panchkula, Sector 8, District - Panchkula, Haryana, Pin Code:134109, India	+91-9915007733	rajiv.vashisht@gmail.com
Gaurav Kumar	Acquirer 2	C-503, Mona Green, Opposite Domino, VIP Road, Zirakpur, SAS Nagar, Mohali, Punjab, Pin Code - 140603, India	+91-9888595729	gaurav.k@regencyinvestments.co.in
Annaya Management Consultancy Private Limited	Acquirer 3	108, Sector 19, Panchkula, Dist. Panchkula, Haryana, Pin Code - 134109, India	+91-9915007733	rajiv.vashisht@gmail.com

There are no other persons acting in concert with the Acquirers for the purpose of this Offer.

FOR THE ATTENTION OF PUBLIC SHAREHOLDERS OF GANESH FILMS INDIA LIMITED**Corporate Identification Number:** L74994MH2018PLC307613**Registered Office:** 503, Floor-5, Plot 461D, A Wing, Parshvanath Gardens, Bhaudaji Road, Kings Circle, Matunga, Mumbai - 400019, Maharashtra, India**Contact Details:** 91-8104449343**Website:** www.ganeshfilms.com; **Email Address:** info@ganeshfilms.com

Offer for acquisition of up to 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred and Ninety-Eight) fully paid-up equity shares of face value of ₹10.00/- (Rupees Ten Only) each (‘Equity Shares’) of Ganesh Films India Limited (‘GFIL’ or ‘Target Company’), constituting 26.00% (Twenty-Six Percent) of the equity and Voting Share Capital of the Target Company by the Acquirers (‘Offer’) in accordance with the provisions of Regulations 3 (1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto, (‘SEBI (SAST) Regulations’).

Please Note:

- This Offer is being made by the Acquirers, pursuant to and in compliance with Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, for substantial acquisition of Equity Shares and voting rights capital accompanied with change in control and management of the Target Company.
- Except of being in receipt of necessary approvals for change in control and management of the Target Company in pursuance of this Offer and purchase of Equity Shares pursuant to the Share Purchase Agreement (*term defined below*), there are no other statutory approval(s) required by the Acquirers to complete this Offer. However, in case, any statutory approval(s) is required at a later date, this Offer shall be subject to receipt of such approval(s), and necessary applications for such approvals shall be made. For more details regarding the statutory and other approvals for this Offer, please refer to the paragraph 7.6 titled as ‘*Statutory approvals and conditions of the Offer*’ at page 28 of this Draft Letter of Offer.
- If there is any upward revision in the Offer Price (*term defined below*) and/ or the Offer Size (*term defined below*) at any time up to 1 (One) Working Day prior to commencement of the Tendering Period i.e., Friday, June 17, 2022, in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement (*term defined below*) in the same newspapers where the Detailed Public Statement (*term defined below*) had appeared. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, the same would be communicated within 2 (Two) Working Days by an announcement in the same newspapers in which the Detailed Public Statement had appeared.
- This Open Offer is not a competitive offer in terms of Regulation 20 of the SEBI (SAST) Regulations.**
- There has been no competing offer as on the date of this Draft Letter of Offer. If there is a competitive offer, then the Offer under all subsisting bids shall open and close on the same date.**
- This Open Offer is not subject to a minimum level of acceptance by the Public Shareholders of the Target Company and is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations.
- Public Shareholders, who have accepted this Offer by tendering the requisite documents in terms of the Letter of Offer (*term defined below*), shall not be entitled to withdraw such acceptance during the Tendering Period (*term defined below*).
- The procedure for acceptance is set out in Paragraph 8 under titled as ‘*Procedure for Acceptance and Settlement of the Offer*’ at page 29 of this Draft Letter of Offer.
- The Public Announcement, Detailed Public Statement, and this Draft Letter of Offer would be available on the website of Securities and Exchange Board of India at www.sebi.gov.in.



THINK TRUST

MANAGER TO THE OFFER

CHARTERED FINANCE MANAGEMENT LIMITED

2nd Floor, Wakefield House, Sprott Road, Ballard Estate, Mumbai – 400038, Maharashtra, India

Tel. No.: +91-22-22696944

Email Address: openoffer@cfml.in

Website: www.charteredfinance.in

Contact Person: Mr. R. Ramnath

SEBI Registration Number: INM000012052

OFFER OPENING DATE: TUESDAY, JUNE 21, 2022



REGISTRAR TO THE OFFER

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153 A, 1st Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110020, India

Tel. No.: +91-11 40450193-97

Email Address: compliance@skylinerta.com

Website: www.skylinerta.com

Contact Person: Mr. Alok Gautam

SEBI Registration Number: INR000003241

OFFER CLOSING DATE: MONDAY, JULY 04, 2022

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES RELATING TO THIS OFFER

Tentative Schedule of Activities	Day	Date
Date of the Public Announcement	Wednesday	April 27, 2022
Last date for publication of Detailed Public Statement in newspapers	Thursday	May 05, 2022
Last date for filing of the Draft Letter of Offer with SEBI	Thursday	May 12, 2022
Last date for public announcement for a Competing Offer#	Thursday	May 26, 2022
Last date for receipt of SEBI observations on the draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager)	Friday	June 03, 2022
Identified Date*	Tuesday	June 07, 2022
Date by which the Letter of Offer will be dispatched to the Public Equity Shareholders whose names appear in the register of members on the Identified Date	Tuesday	June 14, 2022
Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Equity Shareholders for this Offer	Thursday	June 16, 2022
Last date for upward revision of the Offer Price / Offer Size	Friday	June 17, 2022
Date of publication of opening of Offer public announcement in the newspapers in which this Detailed Public Statement has been published	Friday	June 17, 2022
Date of commencement of tendering period ('Offer Opening Date')	Tuesday	June 21, 2022
Date of closing of tendering period ('Offer Closing Date')	Monday	July 04, 2022
Last date for issue of post-offer advertisement	Monday	July 11, 2022
Last date of communicating the rejection/ acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders	Monday	July 18, 2022

Note: The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of statutory/regulatory approvals, if any, and SEBI's approval and may have to be revised accordingly. To clarify, the actions set out above may be completed prior to their corresponding dates subject to compliance with the SEBI (SAST) Regulations.

**Identified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all the Public Shareholders of the Target Company /(registered and unregistered) are eligible to participate in this Offer at any time prior to the closure of the Open Offer.*

#There has been no competing offer as of the date of this Draft Letter of Offer.

RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OFFER, AND PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRERS

The risk factors set forth are limited to the Offer, the Underlying Transaction contemplated under the Share Purchase Agreement, the Acquirers, and not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirers, but are only indicative and are not exhaustive. The risk factors do not relate to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved on the participation in the Offer by a Public Shareholder. The Public Shareholders are advised to consult their stockbroker, or tax advisor or investment consultant, if any, for further risks with respect to their participation in the Offer.

For capitalized terms used herein, please refer to the Section 1 titled 'Definitions' of this Draft letter of Offer.

A. Risks relating to Underlying Transaction

1. The Underlying Transaction is subject to various conditions as specified under the Share Purchase Agreement, including:
 - (a) Receipt of all statutory approvals as set out in Paragraph 7.6 titled as 'Statutory Approvals and conditions of the Offer' at page 28 of this Draft Letter of Offer and those which become applicable prior to the completion of this Offer;
 - (b) The satisfaction or waiver of the various conditions under the Share Purchase Agreement, including those conditions set out in paragraph 3.1.9 at page 11 of this Draft Letter of Offer, and if these conditions are not satisfied or waived and subsequently terminated in accordance with the terms of the Share Purchase Agreement, then the Underlying Transaction may be terminated.
2. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

B. Risks relating to this Offer

1. This Offer is a mandatory open offer to acquire 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares, constituting 26.00% (Twenty-Six Percent) of Voting Share Capital of the Target Company from the Public Shareholders. In the case of oversubscription in this Offer, as per the SEBI (SAST) Regulations, acceptance of the Equity Shares would be determined on a proportionate basis, and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in this Offer will be accepted.
2. As on the date of this Draft Letter of Offer, to the best of knowledge and belief of the Acquirers, there are no statutory approvals required to acquire the Equity Shares that are validly tendered pursuant to this Offer or to complete this Offer; for further details kindly refer to Paragraph 7.6 titled as 'Statutory Approvals and conditions of the Offer' at page 28 of this Draft Letter of Offer. However, if any other statutory approvals are required prior to the completion of this Offer, then this Offer would be subject to the receipt of such other statutory approvals that may become applicable later.
3. In the event that either:
 - (a) Regulatory approval is not received in a timely manner, or
 - (b) There is any litigation leading to stay on this Offer, or
 - (c) SEBI instructs the Acquirers not to proceed with this Offer,

then the Open Offer process may be delayed beyond the timelines related to Schedule of Activities indicated in this Draft Letter of Offer. Consequently, payment of consideration to the Public Shareholders of the Target Company whose Equity Shares have been accepted in this Offer as well as the return of the Equity Shares not accepted by the Acquirers may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 18 (11) of the SEBI (SAST) Regulations, then SEBI may, if satisfied that the non-receipt of approvals

was not attributable to any willful default, negligence, or failure on the part of the Acquirers to diligently pursue such approvals, grant an extension for the purpose of completion of this Offer, subject to the Acquirers agreeing to pay interest to the Public Shareholders for the delay beyond the 10th (Tenth) Working Day from the date of closure of the Tendering Period, as may be specified by SEBI.

4. Public Shareholders should note that the Equity Shares tendered by them and accepted in this Offer shall not be entitled to be withdrawn post-acceptance of such Equity Shares during the Tendering Period, even if the acceptance of such Equity Shares under this Offer and the payment of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. This Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers. The Acquirers may not be able to proceed with this Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Further delay, if any, in the receipt of these approvals may delay completion of this Offer.
6. Non-residents and Overseas Corporate Bodies (the “OCBs”) holding the Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders who are not persons resident in India had required any approvals (including from Reserve Bank of India or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirers reserve their right to reject such Equity Shares tendered under this Open Offer. If the Equity Shares are held under general permission of the Reserve Bank of India, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
7. This Draft Letter of Offer and the Letter of Offer has not been filed, registered, or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer and the Letter of Offer, resident in jurisdictions outside India, should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers or the Manager to any new or additional registration requirements.
8. Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as 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 Acquirers and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.

C. Risks involved in associating with the Acquirers

1. The Acquirers intend to acquire up to 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares, constituting 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company, at an offer price of Rs.12.70/- (Rupees Twelve and Paise Seventy Only) per Equity Share, payable in cash, under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Equity Shares and the documents tendered in this Offer will be held in trust by the Registrar until the completion of this Offer formalities, and the Public Shareholders will not be able to trade in such Equity Shares thereafter. Post this Offer, the Acquirers will have significant equity ownership and effective management control over the Target Company, pursuant to the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations.
2. The Acquirers make no assurance with respect to the market price of the Equity Shares during the Offer Period and upon the completion of this Offer, and disclaim any responsibilities with respect to any decision by the Public Shareholders on whether to participate in this Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company.

3. The Acquirers and the Manager, accept no responsibility for the statements made otherwise than in the Offer Documents or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager, and any person placing reliance on any other source of information would be doing so at his/her own risk.
4. For the purpose of disclosures in the Draft Letter of Offer, all information relating to the:
 - (a) Target Company has been obtained from publicly available sources or from the Target Company;
 - (b) Promoter Sellers has been obtained from them. The accuracy of such details of the Target Company and the Promoter Sellers have not been independently verified by the Acquirers and the Manager.

The risk factors set forth above pertaining to this Offer, are not in relation to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in this Offer. Public Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for further risk with respect to their participation in this Offer. Each Public Shareholder of the Target Company is hereby advised to consult with their legal, financial, tax, investment, or other advisors and consultants of their choice, if any, for further risks with respect to each such Public Shareholder's participation in this Offer and related transfer of Equity Shares to the Acquirers.

CURRENCY OF PRESENTATION

1. In this Draft Letter of Offer, all references to '₹', 'Rs.', 'Rupees', 'Re', 'Rupee' are references to Indian National Rupee (INR), the official currency of India.
2. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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1. DEFINITIONS AND ABBREVIATIONS

Abbreviations	Particulars
Acquirer 1	Rajiv Vashisht
Acquirer 2	Gaurav Kumar
Acquirer 3	Annaya Management Consultancy Private Limited
Acquirers	Acquirer 1, Acquirer 2, and Acquirer 3 are hereinafter collectively referred to as Acquirers
Board	Board of Directors of the Target Company
Book Value per Equity Share	Net-Worth / Number of Equity Share
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation	Indian Clearing Corporation Limited
Companies Act	The Companies Act, 2013, along with the relevant rules made thereunder, including amendments thereto
Depositories	CDSL and NSDL
DIN	Director Identification Number
Draft Letter of Offer/DLoO	This draft letter of offer dated Thursday, May 12, 2022, filed and submitted with SEBI pursuant to the provisions of Regulation 16 (1) of the SEBI (SAST) Regulations, for its observations
DP	Depository Participant
DPS	Detailed Public Statement dated Thursday, May 05, 2022, issued by Manager to the Offer, on behalf of the Acquirers, in connection with this Offer, and published on Thursday, May 05, 2022, in Financial Express (English Daily) (All India Editions); Jansatta (Hindi Daily) (All India Editions) and Mumbai Lakshadeep (Marathi daily) (Mumbai Edition)
ECS	Electronic Clearing Service
EPS	Earnings Per Equity Share calculated as Profit after tax divided by number of outstanding Equity Shares at the close of the year/period
Escrow Agreement	Escrow Agreement, dated Wednesday, April 27, 2022, entered amongst and between the Acquirers, the Escrow Bank and the Manager to the Offer
Escrow Account	The escrow account carrying account number '000405134138' and named 'GFIL Open Offer Escrow Account' opened by the Acquirers with the Escrow Bank, in accordance with the SEBI (SAST) Regulations
Escrow Amount	The amount aggregating to Rs.25,00,000/- (Rupees Twenty-Five Lakhs Only) deposited and maintained by the Acquirers with the Escrow Bank, in accordance with the Escrow Agreement
Escrow Bank	ICICI Bank Limited, acting through its branch at Capital Markets Division, 1 st Floor, 122, Mistry Bhavan, Dinshaw Vachcha Road, Backbay Reclamation, Churchgate, Mumbai – 400020
Escrow Demat Account	As has been defined in the Section titled " <i>Procedure for Acceptance and Settlement of the Offer</i> " of this Draft Letter of Offer
Equity Shares	The fully paid-up equity shares of the Target Company of face value of Rs.10.00 (Rupee Ten Only) each
Equity Share Capital	The fully paid-up Equity Share capital of the Target Company is Rs.3,00,76,840 (Rupees Three Crores Seventy-Six Thousand Eight Hundred Forty) comprising of 30,07,684 (Thirty Lakhs Seven Thousand Six Hundred Eighty-Four) Equity Shares;
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FOA/Form Acceptance	Form of Acceptance-cum-Acknowledgement
GFIL/ Ganesh Films / Target Company	Ganesh Films India Limited, incorporated on April 06, 2018, under the Companies Act, 2013, bearing Corporate Identification Number 'L74994MH2018PLC307613', having its registered office located at 503, Floor-5, Plot 461D, A Wing, Parshvanath Gardens, Bhaudaji Road, Kings Circle, Matunga, Mumbai - 400019, Maharashtra, India

Abbreviations	Particulars
Identified Date	means the date falling on the 10 th (tenth) Working Day prior to the commencement of the tendering period for the Offer, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (registered or unregistered) who own Equity Shares are eligible to participate in this Open Offer at any time before expiry of the tendering period i.e., Tuesday, June 7, 2022.
IDC	Committee of Independent Directors of the Target Company
IT Act	Income Tax Act, 1961, as amended and modified from time to time
IFSC	Indian Financial System Code
Letter of Offer/LoO	The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer, which shall be dispatched to the Public Shareholders (as on Identified Date) of the Target Company
Manager to the Offer	Chartered Finance Management Limited having its registered office at 2 nd Floor, Wakefield House, Sprott Road, Ballard Estate, Mumbai – 400038 and registered as a category I merchant banker with the Securities and Exchange Board of India
NEFT	National Electronic Funds Transfer
NRI/s	Non - Resident Indians
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body
Offer Consideration/Maximum Consideration	The total funding requirement for this Offer, assuming full acceptance of this Offer, being Rs. 99,31,374.60 (Rupees Ninety-Nine Lakhs Thirty-One Thousand Three Hundred Seventy-Four and Paise Sixty Only) payable in cash
Offer Documents	Public Announcement, Detailed Public Statement, Draft Letter of Offer, Letter of Offer, Recommendation of the Committee of the Independent Directors of the Company, Pre-Offer and Post Offer Public Announcement, and any other notices, advertisements, and corrigendum issued by or on behalf of the Acquirers by the Manager to the Offer
Open Offer/Offer	Open offer being made by the Acquirers for acquisition of up to 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares, constituting 26.00% of the Voting Share Capital of the Target Company, at a price of Rs.12.70 (Rupees Twelve and Paise Seventy Only) per Equity Share, payable in cash, assuming full acceptance aggregating to a maximum consideration of Rs.99,31,374.60 (Rupees Ninety-Nine Lakhs Thirty-One Thousand Three Hundred Seventy-Four and Paise Sixty Only)
Offer Period	The period commencing from the date of entering into Share Purchase Agreement to acquire the Equity Shares, and Voting Share Capital in, or control over, the Target Company requiring a Public Announcement or the date on which the Public Announcement was issued by the Acquirers, i.e., Wednesday, April 27, 2022 and the date on which the payment of consideration to the Equity Public Shareholders whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be
Offer Price	An offer price of Rs.12.70 (Rupees Twelve and Paise Seventy Only) per Equity Share
Offer Shares	7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight)
Offer Size	7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares constituting 26.00% of the Voting Share Capital of the Target Company at Rs. 12.70 per Equity Share aggregating to Rs. 99,31,374.60 (Rupees Ninety-Nine lakhs Thirty One Thousand Three Hundred Seventy Four and Paise Sixty only)
PA	Public Announcement dated Wednesday, April 27, 2022
PAN	Permanent Account Number
PAT	Profit After Tax
Promoters / Promoter Sellers	Promoters of the Target Company as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015. The existing promoters and members of the promoter group of the Target Company as per publicly available shareholding pattern of the Target Company for the quarter ended March 31, 2022; being Natrajan Ganapathy, Nambirajan G Yadav, Jayalakshmi Nambirajan Yadav and Indira Natrajan Yadav
Public Shareholders	All the equity shareholders of the Target Company other than (i) the Acquirers, (ii) the parties to the Share Purchase Agreement, and (iii) persons deemed to be acting in concert with parties at (i) and (ii) above, in compliance with the provisions of Regulation 7(6) of the

Abbreviations	Particulars
	SEBI (SAST) Regulations
RBI	Reserve Bank of India
Registrar to the Offer	Skyline Financial Services Private Limited
Return on Net Worth	Profit After Tax/ Net-Worth
RTGS	Real Time Gross Settlement
Sale Equity Shares/Sale Shares	Sale of 18,29,732 (Eighteen Lakhs Twenty-Nine Thousand Seven Hundred Thirty-Two) Equity Shares, constituting 60.84% of the Voting Share Capital of the Target Company, by Promoter Sellers to the Acquirers, pursuant to the execution of a Share Purchase Agreement executed on April 27, 2022, at a negotiated price of Rs.10 (Rupees Ten Only) per Sale Share, aggregating to an amount of Rs. 1,82,97,320 (Rupees One Crore Eighty-Two Lakhs Ninety-Seven Thousand Three Hundred Twenty Only)
SCRR	Securities Contract (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
Selling Broker	Respective stockbrokers of all the Public Shareholders who desire to tender their Equity Shares under this Offer
Share Purchase Agreement / SPA	Share Purchase Agreement dated Wednesday, April 27, 2022, executed between the Acquirers and the Promoter Sellers, pursuant to which the Acquirers have agreed to acquire 18,29,732 (Eighteen Lakhs Twenty-Nine Thousand Seven Hundred Thirty-Two) Equity Shares, constituting 60.84% of the Voting Share Capital of the Target Company from the Promoter Sellers at a negotiated price of Rs.10.00/- (Rupees Ten Only) per Sale Share, aggregating to an amount of Rs. 1,82,97,320 (Rupees One Crore Eighty-Two Lakhs Ninety-Seven Thousand Three Hundred Twenty Only).
Stock Exchange	The stock exchange where the Equity Shares of the Target Company are listed, i.e., BSE SME Platform
STT	Securities Transaction Tax
Tendering Period	The period commencing from Tuesday, June 21, 2022, and ending on Monday, July 04, 2022, both days inclusive
TRS	Transaction Registration Slip
Underlying Transaction	The transaction for sale and purchase of the Sale Shares as contemplated under the SPA
Voting Share Capital	The fully diluted Equity Share Capital and voting share capital of the Target Company as of the 10 th (Tenth) working day from the closure of the Tendering Period
Working Day	means same meaning to it under Regulation 2(1)(zf) of the SEBI (SAST) Regulations.

Note:

All terms beginning with a capital letter used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations unless specified.

In this Draft Letter of Offer, any reference to the singular will include the plural and vice-versa.

2. DISCLAIMER CLAUSE

'IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT, THE SAME HAS BEEN CLEARED, VETTED, OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SECURITIES AND EXCHANGE BOARD OF INDIA FOR A LIMITED PURPOSE FOR OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDING SUBSEQUENT AMENDMENTS THERETO. THIS REQUIREMENT IS TO FACILITATE PUBLIC SHAREHOLDERS OF GANESH FILMS INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THIS OFFER. SECURITIES AND EXCHANGE BOARD OF INDIA DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR THE TARGET COMPANY WHOSE EQUITY SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR THE OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL THE RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER IS EXPECTED TO EXERCISE DUE-DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED THURSDAY, MAY 12, 2022, TO SECURITIES AND EXCHANGE BOARD OF INDIA IN ACCORDANCE WITH THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDING SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THIS OFFER.'

General Disclaimer

This Offer Document in connection with the Offer, has been prepared for the purposes of compliance with the provisions of SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The delivery of Offer Documents, does not under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirers since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirers are under any obligation to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the Letter of Offer by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this Draft Letter of Offer and/or the Letter of Offer under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them, and shall be construed by them as being sent for information purposes only. Accordingly, no such Public Shareholder may tender his/her or its Equity Shares in this Offer in such jurisdiction.

Persons in possession of the Offer Documents are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his/her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted, and agreed that he/she, or it is authorized under the provisions of any applicable local laws, rules, regulations, and statutes to participate in this Offer.

3. DETAILS OF THIS OFFER

3.1. Background of the Offer

- 3.1.1. This is a mandatory Open Offer, being made by Rajiv Vashisht (“Acquirer 1”), Gaurav Kumar (“Acquirer 2”) and Annaya Management Consultancy Private Limited (“Acquirer 3”), in pursuance of and in compliance with the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, to the Public Shareholders of the Target Company. This Offer has triggered consequent upon the execution of the Share Purchase Agreement on April 27, 2022.
- 3.1.2. The prime object of this Open Offer is for substantial acquisition of Equity Shares and Voting Share Capital of the Target Company accompanied with the change in control and management of the Target Company.
- 3.1.3. There is/ are no person acting in concert/s with the Acquirers within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 3.1.4. The Acquirers are making this Offer to acquire 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares constituting 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company at an offer price of Rs.12.70 (Rupees Twelve and Paise Seventy Only) per Equity Share, aggregating to a total consideration of Rs.99,31,374.60 (Rupees Ninety-Nine Lakhs Thirty-One Thousand Three Hundred Seventy-Four and Paise Sixty Only), payable in cash, in accordance with the provisions of Regulation 9 (1) (a) of the SEBI (SAST) Regulations, subject to the terms and conditions set out in the Offer Documents.
- 3.1.5. The Acquirers have entered into a Share Purchase Agreement with the Promoter Sellers with an intention to acquire 18,29,732 (Eighteen Lakhs Twenty-Nine Thousand Seven Hundred Thirty-Two) Equity Shares, constituting 60.84% of the Voting Share Capital of the Target Company at a negotiated price of Rs.10.00/- (Rupees Ten Only) per Sale Share, aggregating to an amount of Rs. 1,82,97,320 (Rupees One Crore Eighty-Two Lakhs Ninety-Seven Thousand Three Hundred Twenty Only), payable in compliance with the terms and conditions scheduled in the SPA.
- 3.1.6. The details of the Promoter Sellers, which has entered into the Share Purchase Agreement with the Acquirers are stated hereunder:

Sr. No.	Name, PAN and Address of the Sellers	Nature of entity	Changes in the names in the past	Part of the Promoter/ Promoter Group	Equity Shares held prior to Share Purchase Agreement	%age of Total Equity Shares
a)	Natrajan Ganapathy Permanent Account Number: ‘ALQPK7606M’; Resident at B/101, Plot 461 D, Parshwanath Gardens B CHSL, Bhaudaji Road, Near Narayanji Shamji Wadi, Matunga (East), Mumbai - 400019, Maharashtra, India	Individual	NA	Yes	5,62,530	18.70%
b)	Nambirajan G Yadav Permanent Account Number: ‘ALSPK3658H’; Resident at 701, 7 th Floor, A – Wing, Parshwanath Garden CHS, Bhaudaji Road, Next to Narayanji Shamji Wadi, Kings Circle, Matunga, Mumbai - 400019, Maharashtra, India;	Individual	NA	Yes	11,42,080	37.97%
c)	Jayalakshmi Nambirajan Yadav Permanent Account Number: ‘ACNPY5325P’; Resident at 701, A – Wing, Parshwanath Garden	Individual	NA	Yes	1,25,092	4.16%

Sr. No.	Name, PAN and Address of the Sellers	Nature of entity	Changes in the names in the past	Part of the Promoter/ Promoter Group	Equity Shares held prior to Share Purchase Agreement	%age of Total Equity Shares
	Co-op Housing Society, Bhaudaji Road, Kings Circle, Matunga (East), Mumbai - 400019, Maharashtra, India;					
d)	Indira Natrajan Yadav Permanent Account Number: 'ACNPY5326Q'; Resident at B/101, Plot 461 D, Parshwanath Gardens B CHS Ltd., Bhaudaji Road, Near Narayanji Shamji Wadi, Matunga (East), Mumbai - 400019, Maharashtra, India;	Individual	NA	Yes	30	Negligible
Total					18,29,732	60.84%

3.1.7. Expect for the proposed acquisition of 18,29,732 (Eighteen Lakhs Twenty-Nine Thousand Seven Hundred Thirty-Two) Equity Shares, constituting 60.84% of the Voting Share Capital of the Target Company, by the Acquirers pursuant to execution of the Share Purchase Agreement, the Acquirers, including the promoter, directors, or key employees of Acquirer 3, are not holding any Equity Shares of the Target Company.

3.1.8. This Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.1.9. **The salient features of the Share Purchase Agreement are as follows:**

3.1.9.1 Subject to the other provisions of this Agreement and against the payment of the sale consideration and other necessary compliances by the Acquirers, the Selling Promoter Shareholders shall sell, transfer, convey, and deliver to the Acquirers and the Acquirers shall purchase and acquire from the sellers, Equity Shares free from all liens, encumbrances, all rights, title, and interests of the Sellers in the Equity Shares together with all accrued benefits, rights and obligations attaching thereto;

3.1.9.2 It is specifically agreed that the sale contemplated in this Agreement is for the whole of Sale Equity Shares and under no circumstances, the sellers will be entitled to Open Offer or the Acquirers would be entitled to claim pro-rata Equity Shares;

3.1.9.3 The Acquirers shall bear and pay stamp duties and other costs, if any, payable for or in relation to transfer of the Sale Equity Shares. The sellers shall be solely responsible for payment and discharge of income tax or capital gains tax or other levies, if any, arising from or applicable to, sale or transfer of the said Sale Equity Shares;

3.1.9.4 The Sellers confirm that the Sale Equity Shares are fully paid-up and are free from lock-in or any lien whatsoever and other encumbrances and the Sellers shall hand over the said confirmation letter to the Acquirers along with the letter received from the Target Company.

3.1.9.5 The Purchase Price for acquisition of the Sale Equity Shares shall be at a price of ₹ 10.00/- (Rupees Ten Only) per Equity Share, aggregating to an amount of ₹1,82,97,320 (Rupees One Crore Eighty-Two Lakhs Ninety-Seven Thousand Three Hundred and Twenty Only) (hereinafter referred to as '**Purchase Price**');

3.1.9.6 The sellers shall sell, convey, and transfer to the Acquirers and the Acquirers shall purchase, acquire and accept from the Sellers the above-mentioned Sale Equity Shares at and for the Purchase Price;

- 3.1.9.7 The aggregate purchase consideration for the Sale Equity Shares is ₹1,82,97,320 (Rupees One Crore Eighty-Two Lakhs Ninety-Seven Thousand Three Hundred and Twenty Only);
- 3.1.9.8 The Seller shall transfer the Sale Equity Shares in a Demat Escrow Account to be maintained with a Broker of the Acquirers' choice.
- 3.1.9.9 The Acquirers will pay the entire consideration after completion of Open Offer formalities and will receive the Sale Equity Shares from the Sellers;
- 3.1.9.10 The Acquirers shall pay the entire Purchase Price to the Selling Promoter Shareholders through normal banking channel i.e., Cheque/ Bank Draft / electronic transfers viz, RTGS or NEFT;
- 3.1.9.11 The Parties hereto confirm that the price aforementioned is a negotiated price;
- 3.1.9.12 The Acquirers shall complete the acquisitions contracted under any agreement attracting the obligation to make an Open Offer not later than twenty-six weeks from the expiry of the Open Offer period;
- 3.1.9.13 From the date of the SPA until Closing, the Promoters shall do everything within their power to cause the Target Company to conduct its business in the ordinary course, save in so far as agreed in writing by the Acquirers.
- 3.1.9.14 From the date of SPA till the date of completion of the Open Offer, the Promoters shall not, except with the prior consent of the Acquirers, sell, transfer, gift, exchange or dispose of or any way deal within the Equity Shares of the Target Company or create any right, interest or encumbrance over the Sale Equity Shares.
- 3.1.10. As per the provisions of Regulations 26 (6) and 26 (7) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a committee of independent directors who would provide written reasoned recommendation on this Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspaper where the Detailed Public Statement was published.

3.2. Details of the proposed Offer

- 3.2.1. The Public Announcement was issued on Wednesday, April 27, 2022, by the Manager to the Open Offer, for and on behalf of the Acquirers. A copy of the said Public Announcement was filed with BSE and submitted to the Target Company at its registered office and to SEBI on Thursday, April 28, 2022.
- 3.2.2. The Detailed Public Statement dated Thursday, May 05, 2022, which were subsequently published in the following newspapers on Thursday, May 05, 2022, in accordance with the provisions of Regulation 14 (3) of the SEBI (SAST) Regulations:

Publication	Language	Edition
Financial Express	English Daily	All Editions
Jansatta	Hindi Daily	All Edition
Mumbai Lakshadeep	Marathi Daily	Mumbai Edition

- 3.2.3. A copy of the DPS filed with BSE and sent to the Target Company at its registered office and to SEBI on Thursday, May 05, 2022. The Detailed Public Statement along with other Offer Documents is/ shall also available on the website of SEBI accessible at www.sebi.gov.in, website of BSE accessible at www.bseindia.com; and the website of Manager accessible at www.charteredfinance.in.
- 3.2.4. The Acquirers have proposed to acquire from the Public Shareholders 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares, constituting 26.00% of the Voting Share Capital of the

Target Company, at a price of Rs.12.70 (Rupees Twelve and Paise Seventy Only) per Equity Share, aggregating to a an amount of Rs.99,31,374.60 (Rupees Ninety-Nine Lakhs Thirty-One Thousand Three Hundred Seventy-Four and Paise Sixty Only) payable in cash, in accordance with the provisions of Regulation 9 (1) (a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Offer Documents.

- 3.2.5. The Target Company doesn't have any partly paid-up Equity Shares, and there are no outstanding warrants, or options or similar instrument, which are convertible into Equity Shares at a later stage. Further as on date of this Draft Letter of Offer, no Equity Shares are subject to any lock-in obligations.
- 3.2.6. The Acquirers will accept all the Equity Shares of the Target Company, that are tendered in valid form in terms of this Offer of 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares, constituting 26.00% of the Voting Share Capital.
- 3.2.7. The Acquirers have not acquired any Equity Shares during the period of 52 (Fifty-Two) weeks prior to the date of the PA. Further, the Acquirers have not purchased any Equity Shares from the date of the Public Announcement to the date of this Draft Letter of Offer.
- 3.2.8. The Acquirers have deposited an amount of Rs.25,00,000 (Rupees Twenty-Five Lakhs Only) i.e. more than 25.00% of the total consideration payable in the Offer, assuming full acceptance, in the Escrow Account in pursuance of this Offer, in compliance with the provisions of Regulation 17(1) and 17(3)(a) of the SEBI (SAST) Regulations.
- 3.2.9. No competing offer has been received as on date of this Draft Letter of Offer.
- 3.2.10. There is no differential pricing in this Offer.
- 3.2.11. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19 (1) of SEBI (SAST) Regulations.
- 3.2.12. This Offer is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 3.2.13. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of Equity Shares.
- 3.2.14. The Equity Shares will be acquired by the Acquirers free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus, and rights offer declared hereafter.
- 3.2.15. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Chartered Finance Management Limited as the Manager to the Offer.
- 3.2.16. As on the date of this Draft Letter of Offer, the Manager to the offer does not hold any Equity Shares in the Target Company and is not related to the Acquirers and the Target Company in any manner whatsoever. The Manager to the offer declares and undertakes that, they shall not deal on its own account in the Equity Shares during the Offer Period. Further, the Manager to the offer confirms that, as on date of this Draft Letter of Offer, there are no directions subsisting or proceedings pending against them under the SEBI Act and the regulations made thereunder, and no other statutory approval is pending.
- 3.2.17. As per Regulation 38 of the SEBI (LODR) Regulations, read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% (Twenty-Five Percent) of the public shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations. In case, if the public shareholding falls below the minimum required level, the Acquirers undertake to take necessary steps to facilitate compliance by the Target Company with the relevant provisions of the SEBI (LODR) Regulations, within the time period mentioned therein or in accordance with such other directions as may be provided by the BSE, in accordance with the provisions of Regulation 7(4) of the SEBI (SAST) Regulations and SCRR.

- 3.2.18. Upon completion of this Offer, assuming full acceptance, the Acquirers will hold 26,11,730 (Twenty-Six Lakhs Eleven Thousand Seven Hundred Thirty) Equity Shares representing 86.84% (Eighty-Six Point Eighty-Four Percent) of the Voting Share capital of the Target Company.
- 3.2.19. If the Acquirers acquire Equity Shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Offer Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, including subsequent amendments thereto, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.
- 3.2.20. The payment of consideration shall be made to all the Public Shareholders, who have tendered their Equity Shares in acceptance of the Offer within 10 (Ten) Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/pay order/demand drafts/electronic transfer. It is desirable that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/demand draft/pay order.

3.3. **Object of the Open Offer**

- 3.3.1. The prime object of this Open Offer is substantial acquisition of Equity Shares and voting rights accompanied by control over the Target Company along with change in management of the Target Company.
- 3.3.2. The Acquirers intend to expand the Target Company's business activities by carrying on additional businesses for commercial reasons and operational efficiencies. The Acquirers reserve the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be carried out, will be in accordance with applicable laws.
- 3.3.3. The Acquirers state that, they do not have any plan to dispose-off or otherwise encumber any significant assets of the Target Company in the succeeding 2 (Two) years from the date of closure of this Offer, except: (a) in the ordinary course of business of the Target Company; and (b) on account of the regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target company. In the event any substantial asset of the Target Company is to be sold, disposed-off, or otherwise encumbered other than in the ordinary course of business, the Acquirers undertake that, they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through a special resolution in terms of Regulation 25 (2) of the SEBI (SAST) Regulations, and subject to the such other provisions of applicable law as may be required.
- 3.3.4. The Acquirers have reserved the right to streamline or restructure, pledge, or encumber their holding in the Target Company and/ or the operations, assets, liabilities and/ or the businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets, or undertakings and/ or re-negotiation or termination of the existing contractual or operating arrangements, at a later date in accordance with the relevant applicable laws. Such decisions will be taken in accordance with the procedures set out under the relevant applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances, from time to time.
- 3.3.5. Post-completion of acquisition of Offer Shares as contemplated under this Offer and pursuant to the transfer of Sale Shares as contemplated under the Share Purchase Agreement, the Acquirers shall hold majority of the Equity Shares of the Target Company by virtue of which they will be in a position to exercise effective management and control over the Target Company.
- 3.3.6. Pursuant to this Offer and the transactions contemplated in the Share Purchase Agreement, the Acquirers shall become the Promoters of the Target Company and the Promoter Sellers will cease to be the promoters of the Target Company.

4. BACKGROUND OF THE ACQUIRERS

4.1. Rajiv Vashisht (Acquirer 1)

4.1.1 Rajiv Vashisht, son of Ram Dhan Vashisht, aged 52 years, is an Indian resident, bearing Permanent Account Number 'ABZPV4450B' under the Income Tax Act, 1961 and is resident at 110 Sector 21, VTC: Panchkula, Sector 8, District - Panchkula, Haryana, Pin Code:134109, India, with contact number being '+91-9915007733', E-mail address being 'rajiv.vashisht@gmail.com'.

4.1.2 Acquirer 1 has completed his Master of Business Administration in First Class with distinction from Shivaji University, Kolhapur in the year 1997 and has twenty-five years' experience.

4.1.3 Acquirer 1 has worked in the financial sector earlier and entered Granite mining business in the state of Karnataka in the year 2014.

4.1.4 Acquirer 1 holds Director Identification Number bearing '02985977' in India and is a Director in the following companies:

Sl.No.	Name of Company	Designation	Percentage/stake holding %age	Listed (if yes, on which Exchange)
1	Annaya Management Consultancy Private Limited	Additional Director	0.17%	No
2	Rajiv Mines & Minerals Private Limited	Director	80%	No
3	Raconteur Granite Mines Private Limited	Director	70%	No
4	Raconteur Granite Private Limited	Director	50%	No
5	Silex Granites Private Limited	Director	22.5%	No

4.1.5 The Net Worth of Acquirer 1 as on March 24, 2022, is Rs. 5,28,14,889.15 (Rupees Five Crores Twenty Eight Lakhs Fourteen Thousand Eight Hundred Eighty Nine and Paise Fifteen Only) as per certificate dated March 31, 2022 bearing Unique Document Identification Number '22511569AGCK052225' by Chartered Accountant Surinder Pal Singh bearing membership number '511569', partner at M/s Kapil Sandeep & Associates, Chartered Accountants, bearing firm registration number 'FRN016244N' having their office at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India with contact details being '0172-5097755, , Email Address being 'ksakapil@yahoo.com' and website being 'www.ksaindia.com'.

4.2. Gaurav Kumar (Acquirer 2)

4.2.1 Gaurav Kumar, son of Ravinder Kumar aged 44 years is an Indian resident bearing Permanent Account Number 'BRJPK2015C' under the Income Tax Act, 1961 is a resident at C-503, Mona Green, Opposite Domino, VIP Road, Zirakpur, SAS Nagar, Mohali, Punjab, Pin Code - 140603, India, with contact number being '+91-9888595729' and E-mail address being 'gaurav.k@regencyinvestments.co.in'.

4.2.2 Acquirer 2 has completed his Matriculation in 1993 with First Division from Nav Jot Modern Senior Secondary School under Punjab School Education Board.

4.2.3 Acquirer 2 acquired a finance company Regency Fincorp Limited and is currently serving as its Managing Director. The Company is listed on BSE Limited.

4.2.4 Acquirer 2 holds Director Identification Number bearing '06717452' in India and is a Director in the following companies:

Sl.No.	Name of Company	Designation	Percentage/stake holding %age	Listed (if yes, on which Exchange)
1	Annaya Management Consultancy Private Limited	Additional Director	99.83%	No
2	Regency Fincorp Limited	Managing Director	17.75%	Yes; BSE Limited
3	Natures Heavens India Private Limited	Additional Director	-	-
4	Regency Digitrade Investments Private Limited	Director	50%	No
5	IndoCroatian Chamber of Trade, Commerce & Agro	Director	-	-

4.2.5 The Net Worth of Acquirer 2 as on March 23, 2022, is Rs. 5,86,90,122.82 (Rupees Five Crores Eighty Six Lakhs Ninety Thousand One Hundred Twenty Two and Paise Eighty Two Only) as per certificate dated April 2, 2022 bearing Unique Document Identification Number '221511569AGGGPM9498' by Chartered Accountant Surinder Pal Singh bearing membership number '511569', partner at M/s Kapil Sandeep & Associates, Chartered Accountants, bearing firm registration number 'FRN016244N' having their office at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India with contact details being '0172-5097755, , Email Address being 'ksakapil@yahoo.com' and website being 'www.ksaindia.com'.

4.3 Annaya Management Consultancy Private Limited (Acquirer 3)

4.3.1 Annaya Management Consultancy Private Limited was incorporated as 'Annaya Management Consultancy Private Limited' on November 18, 2021 under the provisions of the Companies Act, 2013, bearing Corporate Identification Number 'U74994HR2021PTC099333', Permanent Account Number 'AAWCA1358G' under the Income Tax Act, 1961, and having its registered office at 108, Sector 19, Panchkula, Dist. Panchkula, Haryana, Pin Code - 134109, India with contact details being '+91-9915007733', and Email Address being 'rajiv.vashisht@gmail.com'.

4.3.2 The details pertaining to the share capital of Acquirer 3 is as under:

Sr. No.	Particulars	Number of securities	Aggregate amount of securities
1.	Authorized share capital		
	Equity shares having face value of Rs.10/- (Rupees Ten Only)	6,00,000 (Six Lakhs)	Rs.60,00,000 (Rupees Sixty Lakhs Only)
	Total		Rs.60,00,000 (Rupees Sixty Lakhs Only)
2.	Issued, Subscribed and Paid-up share capital		
	Equity shares having face value of Rs.10/- (Rupees Ten Only)	6,00,000 (Six Lakhs)	Rs.60,00,000 (Rupees Sixty Lakhs Only)
	Total		Rs.60,00,000 (Rupees Sixty Lakhs Only)

4.3.3 The equity shareholding pattern of the Acquirer 3 is specified as below:

Name of the equity shareholder	Number of equity shares	Percentage of equity shares held
Rajiv Vashisht	5,99,000 (Five Lakhs Ninety-Nine Thousand)	99.83%

Gaurav Kumar	1,000 (One Thousand)	0.17%
Total	6,00,000 (Six Lakhs)	100.00%

4.3.4 The details of the Directors of Acquirer 3 are as under:

Name of the Promoter and Director	Rajiv Vashisht (Acquirer 1)	Gaurav Kumar (Acquirer 2)
Director Identification Number	02985977	06717452
Qualification and Experience	Please refer Para 4.1.2 & 4.1.3	Please refer Para 4.2.2 & 4.2.3
Date of Appointment	April 11, 2022	April 11, 2022

4.3.5 Acquirer 3 is engaged in the business of providing management consultancy and services in the field of general administration, secretarial, commercial, legal, and public relations.

4.3.6 The Financial Statement of Acquirer 3 is not available as Acquirer 3 has been incorporated only on November 18, 2021 and has not been completed one full financial year.

4.3.7 The Net Worth of Acquirer 3 as on April 26, 2022, is Rs. 60,00,000 (Rupees Sixty Lakhs Only) as per certificate dated April 26, 2022 bearing Unique Document Identification Number '22511569AHUJCH2545' by Chartered Accountant Surinder Pal Singh bearing membership number '511569', partner at M/s Kapil Sandeep & Associates, Chartered Accountants, bearing firm registration number 'FRN016244N' having their office at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India with contact details being '0172-5097755, Email Address being 'ksakapil@yahoo.com' and website being 'www.ksaindia.com'

4.4 Acquirers' Confirmation and Undertaking

As on date of this Draft Letter of Offer, the Acquirers have, individually confirmed, and declared that:

4.4.1 They do not hold any Equity Shares in the Target Company, except pursuant to the execution of the SPA. Pursuant to consummation of the SPA, the Acquirers shall be classified and will become the Promoters of the Target Company, subject to the compliance of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including subsequent amendments thereto ("**SEBI (LODR) Regulations**").

4.4.2 They do not belong to any group.

4.4.3 Acquirer 1 is not related to Acquirer 2, except for the shareholding and common directorship on the Board of Acquirer 3.

4.4.4 The Acquirers are not forming part of the present promoter and promoter group of the Target Company.

4.4.5 There are no directors representing the Acquirers on the Board of the Target Company.

4.4.6 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended ("**SEBI Act**") or under any other Regulation made under the SEBI Act.

4.4.7 The Acquirers, and the promoter, directors, or key employees of Acquirer 3, have not been categorized nor are appearing in the 'Willful Defaulter or Fraudulent Borrower' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by Reserve Bank of India.

- 4.4.8 The Acquirers, and the promoter, directors, or key employees of Acquirer 3, are not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.4.9 There is/are no persons acting in concert in relation to this Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 4.4.10 The Acquirers will not sell the Equity Shares of the Target Company, held, and acquired, if any, during the Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 4.4.11 The Acquirers have not acquired any Equity Shares from the date of Public Announcement till the date of this Draft Letter of Offer.

5 BACKGROUND OF THE TARGET COMPANY

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 5.1 The Target Company was incorporated on April 06, 2018, under the provisions of Indian Companies Act, 2013, bearing Corporate Identification Number 'L74994MH2018PLC307613' and there has been no change in the name of the Target Company since incorporation. The registered office of the Target Company is situated at 503, Floor-5, Plot 461D, A Wing, Parshvanath Gardens, Bhaudaji Road, Kings Circle, Matunga, Mumbai - 400019, Maharashtra, India, and the contact details of the Target Company are, Email Address 'info@ganeshfilms.com', contact number '+91 8104449343' and website is 'www.ganeshfilms.com'.
- 5.2 The Equity Shares of the Target Company bearing International Securities Identification Number 'INE00WY01013' is presently listed on the BSE SME Platform bearing Scrip ID 'GFIL' and Scrip Code is '541703'. The Target Company has already established connectivity with Central Depositories Services (India) Limited ("CDSL") and National Securities Depository Limited ("NSDL").
- 5.3 The Equity Share Capital of the Target Company is as follows:

Sr. No.	Particulars	Number of Equity Shares	Aggregate amount of Equity Shares	% of Equity Shares/ voting rights
1.	Authorized Equity Share capital	35,00,000 (Thirty-Five Lakhs)	Rs.3,50,00,000 (Rupees Three Crores Fifty Lakhs Only)	100.00%
2.	Issued, subscribed and paid-up Equity Share capital (Fully paid-up)	30,07,684 (Thirty Lakhs Seven Thousand Six Hundred Eighty-Four)	Rs.3,00,76,840 (Rupees Three Crores Seven-Six Thousand Eight Hundred Forty Only)	100.00%
3.	Issued, subscribed and paid-up Equity Share capital (Partly paid-up)	--	--	--
4.	Total paid-up Equity Shares	30,07,684 (Thirty Lakhs Seven Thousand Six Hundred Eighty-Four)	Rs.3,00,76,840 (Rupees Three Crores Seven-Six Thousand Eight Hundred Forty Only)	100.00%
5.	Total Voting Share Rights in the Target Company	30,07,684 (Thirty Lakhs Seven Thousand Six Hundred Eighty-Four)	Rs.3,00,76,840 (Rupees Three Crores Seven-Six Thousand Eight Hundred Forty Only)	100.00%

- 5.4 There are no outstanding partly paid-up shares or any other convertible instruments to be converted into Equity Shares of the Target Company at a future date. Further, none of the Equity Shares are subject to any lock-in obligations.
- 5.5 The trading in Equity Shares of the Target Company have never been suspended on the stock exchange.
- 5.6 The Equity Shares of the Target Company are frequently traded on BSE SME Platform within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 5.7 The Target Company is in compliance with the SEBI (LODR) Regulations, and as on date of this Draft Letter of Offer, no penal action has been taken by BSE against the Target Company. Further, no penalties had been or have been levied by SEBI/ RBI or any other regulatory body against the Target Company, and its Promoters.

- 5.8 The Target Company is not registered with any regulatory or governmental authority in any capacity and hence is not required to obtain any No Objection Certificate from any regulatory or governmental authority for effecting change in control of the Target Company.
- 5.9 The Target Company has not been a party to any scheme of amalgamation, restructuring, merger / de-merger, buy-back and spin off during the last 3 (Three) years.
- 5.10 The present Board of Directors of the Target Company are as follows:

Sr. No.	Name	Date of Appointment	Director Identification Number	Designation
1.	Nambirajan G Yadav	April 06, 2018	06533729	Managing Director
2.	Jayalakshmi Nambirajan Yadav	April 06, 2018	08104125	Executive Director
3.	Sahana Rajagopal	April 06, 2018	08104126	Non-Executive Director
4.	Sunnykumar Jitendrabhai Narwani	March 16, 2021	09107162	Non-Executive - Independent Director
5.	Bhavesh Nareshbhai Sonesara	March 16, 2021	09104502	Non-Executive - Independent Director

5.11 Financial Information

The financial details of the Target Company as per Unaudited financial results and Limited Review report for the 6 (Six) months period ended September 30, 2021, and the Audited Financial Statements for the last 3 (Three) Financial Years ended March 31, 2021, March 31, 2020, and March 31, 2019, are as follows:

Profit and Loss Statement

(Rupees in Lakhs)

Particulars	Unaudited and Certified Financial Statements for the half-year period ended September 30, 2021	Audited Financial Statements for the Financial Year ending March 31		
		2021	2020	2019
Revenue from Operations	-	16.11	203.50	448.84
Other Income	-	0.44	0.16	0.03
Total Income	-	16.55	203.66	448.87
Total Expenditure excluding Interest, Depreciation and Tax	14.57	40.49	226.42	412.63
Profit/ (Loss) before Interest, Depreciation and Tax	(14.57)	(23.94)	(22.76)	36.24
Depreciation & Amortization Expenses	7.99	15.75	15.26	12.72
Finance cost	13.96	47.93	27.98	2.79
Profit/ (Loss) before Tax	(36.52)	(87.62)	(66.00)	20.73
Add: Exceptional Items	-	-	-	-
Less: Current Tax	-	-	-	4.74
Deferred Tax Charge / (Credit)	-	-	(9.56)	9.56
MAT Credit charged / (Credit)	-	-	4.26	(4.26)
Profit/ (Loss) After tax	(36.52)	(87.62)	(60.70)	10.69

Balance Sheet
(Rupees in Lakhs)

Particulars	Unaudited and Certified Financial Statements for the half-year period ended September 30, 2021	Audited Financial Statements for the Financial Year ending March 31		
		2021	2020	2019
(A) Sources of funds				
Paid up share capital	300.77	300.77	300.77	300.77
Reserves & Surplus (excluding revaluation reserves)	924.34	960.86	1,048.49	1,109.19
Less: Miscellaneous Expenditure not written off	-	-	-	-
Net Worth	1,225.11	1,261.63	1,349.26	1,409.96
Deferred Tax Liabilities	-	-	-	9.56
Short Term Borrowings	339.77	297.45	237.72	182.81
Current Liabilities:				
Trade Payables	78.01	78.64	67.98	3.43
Other Current Liabilities	10.94	11.40	6.00	10.34
Short Term Provisions	0.31	0.25	0.29	4.74
Total (A)	1,654.14	1,649.37	1,661.25	1,620.84
(B) Uses of funds				
Net Fixed Assets	419.41	425.62	439.72	451.30
Other intangibles	-	1.21	1.70	2.19
Current Assets				
Inventories	9.81	12.84	18.92	21.51
Trade Receivables	200.69	215.68	214.34	107.25
Cash and Cash Equivalent	25.00	0.41	0.02	40.00
Short Term Loans and Advances	979.90	975.05	968.77	934.62
Other Current Assets	19.33	18.56	17.78	63.97
Total (B)	1,654.14	1,649.37	1,661.25	1620.84

5.12 The pre-Offer and post-Offer shareholding of the Target Company (based on the issued, subscribed, and paid-up Equity Share capital and Voting Share Capital), assuming full acceptance under this Offer is as specified below:

Shareholders' Category	Shareholding/voting rights prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding
1. Promoter & Promoter Group								
(a) Party to the Share Purchase Agreement								
Natrajan Ganapathy	5,62,530	18.70%	(5,62,530)	(18.70%)	-	-	-	-
Nambirajan G Yadav	11,42,080	37.97%	(11,42,080)	(37.97%)				

Shareholders' Category	Shareholding/voting rights prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding
Jayalakshmi Nambirajan Yadav	1,25,092	4.16%	(1,25,092)	(4.16%)				
Indira Natrajan Yadav	30	Negligible	(30)	Negligible				
Total	18,29,732	60.84%	(18,29,732)	(60.84%)	-	-	-	-
(b) Promoters other than (a) above								
None	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Total 1 (a+b)	18,29,732	60.84%	(18,29,732)	(60.84%)	-	-	-	-
2. Acquirers								
Rajiv Vashisht	-	-	6,56,736	21.84%	3,78,500	12.59%	10,35,236	34.42%
Gaurav Kumar	-	-	6,31,613	21.00%	3,78,498	12.58%	10,10,111	33.59%
Annaya Management Consultancy Private Limited	-	-	5,41,383	18.00%	25,000	0.83%	5,66,383	18.83%
Total 2	-	-	18,29,732	60.84%	7,81,998	26.00%	26,11,730	86.84%
3. Parties to Share Purchase Agreement other than 1(a) & 2								
None	-	-	-	-	-	-	-	-
4. Public (other than Parties to Agreement and Acquirers) #								
a. FIs/ MFs/ FIIIs/ Banks/ SFIs (Indicate names)	-	-	-	-	-	-	-	-
b. Others	-	-	-	-	-	-	-	-
Total (4) (a+b+c)	-	-	-	-	-	-	-	-
GRAND TOTAL (1+ 2+ 3+ 4)	18,29,732	60.84%	0	0%	7,81,998	26.00%	26,11,730	86.84%

Notes:

- i. There are 222 (Two Hundred Twenty-Two) Public Shareholders as per the shareholding pattern with BSE filed for the quarter ending March 31, 2022.
- ii. As on date of this Draft Letter of Offer, none of the Equity Shares are subject to lock-in.

5.13 The Target Company, its existing Selling Promoters, and its partners and/or designated partners are not declared as "Fugitive Economic Offenders" under Section 12 of the Fugitive Economic Offenders Act, 2018 nor have they been categorized nor are appearing in the "Wilful Defaulter" or "Fraudulent Borrower" list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by SEBI.

- 5.14 The Target Company has complied with all the requirements of the SEBI (LODR) Regulations, as on date, and no penal/ punitive actions have been taken by BSE since incorporation.
- 5.15 There are no directions subsisting or proceedings pending against the Target Company and its promoters under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no statutory approvals are pending as on date.
- 5.16 The closing market price of the Equity Shares of the Target Company as on the date of the Public Announcement and the Detailed Public Statement, the trading day after the date of the Public Announcement was as below:

Particulars	Closing Market Price
Wednesday, April 27, 2022, being the date of PA	No Trading
Thursday, April 28, 2022, being the next Trading Day after date of PA	₹11.97
Thursday, May 05, 2022, being the date of the DPS	₹13.18
Friday, May 06, 2022, being the next Trading Day after the publication of the DPS	₹13.83

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of the Offer Price

6.1.1 The Equity Shares of the Target Company bearing International Securities Identification Number 'INE00WY01013' are presently listed on the BSE SME Platform bearing Scrip ID 'GFIL' and Scrip Code '541703'.

6.1.2 The trading turnover in the Equity Shares of the Target Company on BSE SME Platform based on trading volume during the 12 (twelve) calendar months prior to the month of PA (April 01, 2021 to March 31, 2022) have been obtained from www.bseindia.com, as given below:

Stock Exchange	Total no. of equity shares traded during the twelve calendar months prior to the month of PA	Total no. of listed Equity Shares	Annualized trading turnover (as % of shares listed)
BSE SME Platform	4,22,400 (Four Lakhs Twenty-Two Thousand Four Hundred)	30,07,684 (Thirty Lakhs Seven Thousand Six Hundred Eighty-Four)	14.04%

Based on the information provided above, the Equity Shares of the Target Company are frequently traded on the BSE SME Platform within the meaning of explanation provided in regulation 2(1)(j) of the SEBI (SAST) Regulations.

6.1.3 The Offer Price of Rs. 12.70/- (Rupees Twelve and Paise Seventy Only) is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, being the highest of the following:

Sr. No.	Particulars	Price
a)	The highest negotiated price per Share of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer (i.e., the Share Purchase Agreement)	Rs. 10/-
b)	The volume-weighted average price paid or payable for acquisition(s) by the Acquirers, during the 52 (fifty-two) weeks immediately preceding the date of the PA (i.e., April 27, 2022)	Not Applicable
c)	The highest price paid or payable for any acquisition by the Acquirers, during the 26 (twenty-six) weeks immediately preceding the date of the PA (i.e., April 27, 2022)	Not Applicable
d)	The volume-weighted average market price of Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of PA (i.e., April 27, 2022) as traded on BSE Limited where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such shares are frequently traded **	12.70
e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirers and the Manager to the Open Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of such companies	Not Applicable
f)	The per share value computed under sub-regulation (5), if applicable *	Not Applicable

* Not applicable since this is not an indirect acquisition

** Source: Valuation of Equity Shares as on April 26, 2022 vide Certificate dated April 27, 2022 and vide UDIN 2250857211TXA5085 by Manoj Kumar, Chartered Accountant and Registered Valuer – Securities & Financial assets holding IBBI Registration No. IBBI/RV/06/2019/12356 and having his office at Flat No. C-305, ATS Advantage, Indirapuram, Ghaziabad, Uttar Pradesh.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 12.70 (Rupees Twelve and Paise Seventy Only) per Equity Share, being the highest of the prices mentioned above, is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations and is payable in cash.

- 6.1.4 As on date of this Draft Letter of Offer, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers would comply with Regulation 18 and all other applicable provisions of SEBI (SAST) Regulations.
- 6.1.5 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8 (9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted in the event of any corporate actions like bonus, rights issue, stock split, consolidation, dividend, demergers, reduction, etc. where the record date for effecting such corporate actions falls between the date of this Draft Letter of Offer up to 3 (three) Working Days prior to the commencement of the Tendering Period of the Offer, in accordance with Regulation 8 (9) of the SEBI (SAST) Regulations.
- 6.1.6 In the event of any acquisition of Equity Shares by the Acquirers during the Offer Period, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8 (8) of the SEBI (SAST) Regulations. However, the Acquirers shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement and until the expiry of the Tendering Period of this Offer.
- 6.1.7 As on the date of this Draft Letter of Offer, there is no revision in the Offer Price or Offer Size. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period in accordance with the provisions of Regulation 18 (4) of the SEBI (SAST) Regulations. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirers shall: (i) make corresponding increase to the escrow amount (ii) make an announcement in the same newspapers in which this Detailed Public Statement has been published; and (iii) simultaneously notify the BSE, the SEBI, and the Target Company at its registered office of such revision.
- 6.1.8 If the Acquirers acquire Equity Shares during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in the Open Offer within 60 (Sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.

6.2 Financial Arrangements

- A. In terms of Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net-worth and no borrowings from any Bank and/ or Financial Institutions are envisaged, the details of which are specified as under:
1. Chartered Accountant Surinder Pal Singh bearing membership number '511569', partner at M/s Kapil Sandeep & Associates, Chartered Accountants bearing firm registration number 'FRN016244N' having their office located at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India with contact details being '0172-5097755', Email Address being 'ksakapil@yahoo.com' and website being 'www.ksaindia.com' has vide certificate dated March 31, 2022 bearing unique document identification number '22511569AGCKOS2225' for Acquirer 1; vide certificate dated April 2, 2022 bearing unique document identification number '22511569AGGGPM9498' for Acquirer 2; and vide certificate dated April 26, 2022 bearing unique document identification number '22511569AHUYDX2746' for Acquirer 3,, certified that sufficient resources are available with the Acquirer 1, Acquirer 2 and Acquirer 3, for fulfilling their Offer obligations in full.

- B. The maximum consideration payable by the Acquirers to acquire 7,81,998 (Seven Lakhs Eighty-One Thousand Nine Hundred Ninety-Eight) Equity Shares representing 26% of the Voting Share Capital of the Target Company at the Offer Price of Rs. 12.70/- (Rupees Twelve and Paise Seventy Only) per Equity Share, assuming full acceptance of the Offer would be Rs. 99,31,374.60 (Rupees Ninety-Nine Lakhs Thirty-One Thousand Three Hundred Seventy-Four and Paise Sixty Only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account under the name and style of "GFIL OPEN OFFER ESCROW ACCOUNT" with ICICI Bank Limited, ("**Escrow Banker**") ("**Escrow Account**") and have deposited Rs. 25,00,000 (Rupees Twenty-Five Lakhs Only) i.e., more than 25.00% of the total consideration payable in the Offer, assuming full acceptance.
- C. The Manager is duly authorized to operate the Escrow Account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- D. Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager is satisfied about the ability of the Acquirers to fulfill their obligations in respect of this Offer in accordance with the provisions of SEBI (SAST) Regulations.
- E. In case of upward revision of the Offer Price and/or the Offer Size, the Acquirers would deposit appropriate additional amount into an Escrow Account to ensure compliance with Regulation 18(5) of the SEBI (SAST) Regulations, prior to effecting such revision.

7 TERMS AND CONDITIONS OF THE OFFER

- 7.1 The Letter of Offer will be mailed to all those Public Shareholders of the Target Company whose names appear on the Register of Members and to the beneficial owners of the Equity Shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on the Identified date i.e., Tuesday, June 07, 2022.
- 7.2 Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate this Offer in anyway.
- 7.3 In terms of the provisions of Regulation 18 (9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the tendering period.
- 7.4 **Locked-in Shares**
- None of the Equity Shares of the Target Company are subject to lock-in.
- 7.5 **Eligibility for accepting the Offer**
- 7.5.1 The Letter of Offer shall be mailed to all the Public Shareholders and/or beneficial owners holding Equity Shares in dematerialized form whose names appear in register of Target Company as on Tuesday, June 07, 2022, the Identified Date.
- 7.5.2 This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
- 7.5.3 All Public Shareholders and/or beneficial owners who own Equity Shares of the Target Company any time before the closure of this Offer are eligible to participate in this Offer.
- A. The Acquirer has appointed Skyline Financial Services Private Limited (SEBI Registration No. INR000003241), as the Registrar, having office at D-153 A, 1st Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110020, India; contact number '+91 11 40450193-97', Email Address 'compliances@skylinerta.com' and website 'www.skylinerta.com'. The Contact Person Mr. Alok Gautam can be contacted from 10:00 a.m. (Indian Standard Time) to 5:00 p.m. (Indian Standard Time) on working days (except Saturdays, Sundays and all public holidays), during the Tendering Period.
- 7.5.4 The Offer Documents will also be available on the website of SEBI accessible at www.sebi.gov.in., BSE accessible at www.bseindia.com and Manager to the Offer accessible at www.charteredfinance.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including unregistered Public Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in this Offer.
- 7.5.5 Unregistered Public Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Public Shareholders.
- 7.5.6 The acceptance of this Offer by the Public Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 7.5.7 The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s)/beneficial owner(s) of Target Company.

- 7.5.8 The Acquirers, Manager to the Offer, or the Registrar accept no responsibility for any loss of Equity Share certificates, Offer Acceptance Forms, and Share Transfer Deed, etc., during transit and the Public Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 7.5.9 The acceptance of Equity Shares tendered in this Offer will be made by the Acquirers in consultation with the Manager to the Offer.
- 7.5.10 The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of this Offer.

7.6 Statutory Approvals and conditions of the Offer

- 7.6.1 To the best of the knowledge and belief of the Acquirers, as on the date of this Draft Letter of Offer, there are no statutory or other approvals required for implementing the Offer. If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals.
- 7.6.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FIIs) required and received any approvals (including from the RBI, the FIPB, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender their Equity Shares held by them in this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.
- 7.6.3 The Acquirers in terms of Regulation 23 of SEBI (SAST) Regulations, will have a right not to proceed with this Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared.
- 7.6.4 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers, or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of the provisions of Regulation 18 (11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, the provisions of Regulation 17 (9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture. Further, where any statutory approval extends to some but not all the Public Shareholders, the Acquirers shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1. This Offer will be implemented by the Acquirers, through stock exchange mechanism as provided under the SEBI (SAST) Regulations and the SEBI circulars bearing reference number 'CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015', 'CFD/DCR2/CIR/P/2016/131 dated December 09, 2016' and 'SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021' and on such terms and conditions as may be permitted by law from time to time.
- 8.2. BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in this Offer.
- 8.3. The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on the BSE, in the form of a separate window ('**Acquisition Window**').
- 8.4. For implementation of this Offer, The Acquirers have appointed Emkay Global Financial Services Limited as the registered broker (Buying Broker) for the Open Offer, through whom the purchases and the settlement of the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

Name	Emkay Global Financial Services Limited
Address	The Ruby, 7 th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028
Contact Number	+91 22 66121212
Email Address	Prachi.chaudhari@emkayglobal.com
Contact Person	Ms. Prachi Chaudhari

- 8.5. All the Public Shareholders who desire to tender their Equity Shares under this Offer would have to intimate their respective stockbrokers ('**Selling Broker**'), within the normal trading hours of the secondary market, during the Tendering Period.
- 8.6. The Acquisition Window provided by the BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized Equity Shares only.
- 8.7. The cumulative quantity tendered shall be displayed on the BSE's website throughout the trading session at specific intervals by the BSE during Tendering Period.
- 8.8. Equity Shareholders can tender their Equity Shares only through a broker with whom the shareholder is registered as client (KYC Compliant).

8.9 Procedure for Equity Shares held in physical form

- 8.9.1. In accordance with the Frequently Asked Questions issued by SEBI, 'FAQs – Tendering of physical shares in buyback offer/ open offer/ exit offer/ delisting dated February 20, 2020' and SEBI circular bearing reference number 'SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020', shareholders holding securities in physical form are allowed to tender shares in the open offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.
- 8.9.2. Public Shareholders who are holding physical Equity Shares and intend to participate in this Offer shall approach Selling Broker. The Selling Broker should place bids on the BSE's platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of Equity Shares etc.
- 8.9.3. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein the along with the complete set of documents for verification procedures to be carried out, namely being: (a) original share certificate(s), (b) valid share transfer form(s) 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

Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company, (c) self-attested copy of the shareholder's PAN Card, and (d) TRS, any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (Two) days from the closure of the Tendering Period latest by 5:00 PM (Indian Standard Time). The envelope should be superscripted as '**GFIL Open Offer**'. One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Selling Broker.

- 8.9.4 In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- 8.9.5 Public Shareholders holding physical Equity Shares 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 this Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Registrar, the bid will be accepted else rejected and accordingly the same will be depicted on the BSE platform.
- 8.9.6 Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 8.9.7 Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of Equity Shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
- a) Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired;
 - b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s);
 - c) No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance;

8.10. Procedure for tendering the Equity Shares held in dematerialized form

- 8.10.1. The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker/ Seller Member, indicating details of Equity Shares they wish to tender in this Offer.
- 8.10.2. The Seller Member would be required to place a bid on behalf of the Public Shareholders who wish to tender their Equity Shares in this Offer using the Acquisition Window of the BSE Limited.
- 8.10.3. The lien shall be marked in demat account of the Eligible Public Shareholders for the Equity Shares tendered in this Offer. The details of Equity Shares marked as lien in the demat account of the Eligible Public Shareholders shall be provided by Depositories to the Clearing Corporation.
- 8.10.4. In case, the demat account of the Eligible Public Shareholders is held in one depository and clearing member pool and clearing corporation account is held with another depository, the Equity Shares tendered under this Offer shall be blocked in the Public Shareholders demat account at the source depository during the Tendering Period. Inter Depository Tender Offer ('IDT') instruction shall be initiated by the Public Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Public Shareholder's securities (i.e., transfers from free balance to blocked balance) and send

IDT message to target depository for confirming creation of lien. The details of Equity Shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.

- 8.10.5. For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.
- 8.10.6. Upon placing the order, the Seller Member shall provide a transaction registration slip generated by the exchange bidding system to the Eligible Public Shareholder on whose behalf the order has been placed. The TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 8.10.7. It is clarified that in case of dematerialized Equity Shares, non-receipt of the completed acceptance form and other documents, but if the lien is marked successfully in the depository system and a valid bid in the exchange bidding system, the tender for this Offer shall be deemed to have been accepted.
- 8.10.8. 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 prorata (if applicable) decided by the Company.

9. ACCEPTANCE OF EQUITY SHARES

- 9.1. The Registrar shall provide details of order acceptance to Clearing Corporation within the specified timelines.
- 9.2. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

10. PROCEDURE FOR TENDERING THE EQUITY SHARES IN CASE OF NON-RECIPT OF THE LETTER OF OFFER

- 10.1. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 10.2. A Public Shareholder may participate in this Offer by approaching their broker/ Selling Broker and tender Equity Shares in this Offer as per the procedure mentioned in the Letter of Offer.
- 10.3. The Letter of Offer along with acceptance form will be dispatched to all the eligible Public Shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI at www.sebi.gov.in or obtain a copy of the same from the Registrar on providing suitable documentary evidence of holding of the Equity Shares.
- 10.4. The Letter of Offer along with the Form of Acceptance would also be available at website of SEBI at www.sebi.gov.in and Public Shareholders can also apply by downloading such forms from the said website.
- 10.5. Alternatively, in case of non-receipt of the Letter of Offer, the eligible Public Shareholders holding the Equity Shares may participate in this Offer by providing their application in plain paper in writing signed by all the shareholder(s), stating name, address, number of Equity Shares held, client-ID number, DP name, DP-ID number, number of Equity Shares tendered and other relevant documents as mentioned in Paragraph 8.9 titled as '*Procedure for Equity Shares held in physical form*' at page 29 of this Draft Letter of Offer. Such eligible Public Shareholders have to ensure that their order is entered in the electronic platform of BSE, made available by BSE before the closure of the Tendering Period.

11. SETTLEMENT PROCESS AND PAYMENT OF CONSIDERATION

- 11.1. Upon finalization of the basis of acceptance as per the SEBI (SAST) Regulations, 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.
- 11.2. Details in respect of Public Shareholder's entitlement for this Offer shall be provided to Clearing Corporation by Company/ Registrar to the Offer. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted tender will be transferred to the Clearing Corporation.
- 11.3. In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with tender accepted detail as received from the Registrar to the Offer. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the Public Shareholder. Post completion of the Tendering Period and receiving the requisite details viz., demat account details and accepted tendered quantity, source depository shall debit the Equity Shares as per the communication/ message received from target depository to the extent of accepted tendered Equity Shares from the Public Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- 11.4. The Buying Broker will transfer the consideration pertaining to this Offer to the Clearing Corporation's bank account as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under this Offer, the Clearing Corporation will make direct funds pay-out to the respective Eligible Public Shareholders. If the bank account details of any Eligible Public Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or any other relevant Bank, due to any reasons, then the amount payable to the Eligible Public Shareholders will be transferred to the concerned Seller Member for onward transfer to such Eligible Public Shareholder holding Equity Shares in dematerialized form.
- 11.5. In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the tenders settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE Limited and the Clearing Corporation from time to time.
- 11.6. For the Eligible Public Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. On settlement date, all blocked Equity Shares mentioned in accepted tender shall be transferred to Clearing Corporation.
- 11.7. The Equity Shares tendered in the dematerialized form would be transferred directly to the escrow demat account/ demat account of the Acquirer provided it is indicated by the Buying Brokers or it will be transferred by the Buying Broker to the demat escrow account/ demat account of the Acquirers on receipt of the Equity Shares from the clearing and settlement mechanism of BSE Limited.
- 11.8. Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Public Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Public Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Public Shareholder. The Public Shareholders of the demat Equity Shares will

have to ensure that they keep the DP account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in this Offer.

- 11.9. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Public Shareholders directly by the Registrar to the Offer. The Target 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 are less than the Equity Shares tendered in this Offer by Eligible Public Shareholders holding Equity Shares in the physical form.
- 11.10. The Seller Member would issue contract note for the Equity Shares accepted under this Offer and will unblock the excess unaccepted Equity Shares. The Buying Broker would also issue a contract note to the Company for the Equity Shares accepted under this Offer.
- 11.11. Equity Shareholders who intend to participate in this Offer should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Seller Member for tendering Equity Shares in this Offer (secondary market transaction). Therefore, the Offer consideration received by the selling Eligible Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage). The Manager to the Offer and the Acquirers accept no responsibility to bear or pay any additional cost, applicable taxes, charges, and expenses (including brokerage) levied by the Seller Member, and such costs will be borne solely by the Eligible Public Shareholders.
- 11.12. In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure, or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18 (11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

12. NOTE ON TAXATION

12.1. General

- 12.1.1. Securities transaction tax will not be applicable to the Equity Shares accepted in this Open Offer.
- 12.1.2. 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 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his/her worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (the "IT Act") as amended from time to time. 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) as also income received by such person in India. In case of shares of a company, the source of income from shares will depend on the "situs" of such shares. As per judicial precedents, the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred and are effectively dealt with.
- 12.1.3. Accordingly, since the Target Company is incorporated in India, the Target 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.
- 12.1.4. Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ("MLI") as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of General Anti-Avoidance Rule ("GAAR") and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- 12.1.5. The IT Act also provides for different income-tax regimes/rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- 12.1.6. The Public Shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income-tax authorities, reporting their income for the relevant year.
- 12.1.7. The summary of income-tax implications on tendering of listed equity shares is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

12.2. Classification of Shareholders: Public Shareholders can be classified under the following categories:

a) Resident Shareholders being:

- Individuals, Hindu Undivided Family ("HUF"), Association of Persons ("AOP") and Body of Individuals ("BOI")
- Others:
 - (i) Company
 - (ii) Other Than Company

b) Non-Resident Shareholders being:

- Non-Resident Indians (NRIs)

- Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
 - (i) Company
 - (ii) Other Than Company

12.3. Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.

12.4. Taxability of Capital Gains in the hands of shareholders

12.4.1. Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, unless specifically exempted, depending upon whether such shares were held as a capital asset or trading asset (i.e., stock-in-trade).

As per the current provisions of the IT Act, where the shares are held as investments (i.e., capital assets), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Further, Section 2(14) of the IT Act has provided that any securities held by a FII which has invested in the equity shares in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, will be treated as capital assets. Accordingly, any gains arising from transfer of such securities will be chargeable to tax in the hands of FIIs as capital gains.

12.4.2. Capital Gains in the hands of shareholders would be computed as per the provisions of Section 48 of the IT Act.

12.4.3. **Period of holding:** Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain (STCG)” or “long-term capital gain (LTCG)”:

- a) In respect of equity shares held for a period less than or equal to 12 (Twelve) months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising there from should be taxable as “STCG”.
- b) Similarly, where equity shares are held for a period more than 12 (Twelve) months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “LTCG”.

12.4.4. The Finance Act, 2018, vide Section 112A, has imposed an income tax on LTCG at the rate of 10% (plus applicable surcharge and health and education cess) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to STT upon both acquisition and sale exceeding Rs. 1,00,000 (Rupees One lakh only) (without any indexation and foreign exchange fluctuation benefits).

12.4.5. As per section 111A of the IT Act, STCG arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (plus applicable surcharge and health and education cess) (except under specific categories).

However, since STT will not be applicable to the Equity Shares transferred in this Offer, the provisions of Section 112A and Section 111A of the IT Act shall not be applicable.

12.4.6. LTCG arising from tendering of Equity Shares in the Offer shall be subject to tax as follows:

- a) LTCG will be chargeable to tax at the rate of up to 20% (plus applicable surcharge and health and education cess) in the case of a non-resident Public Shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.

- b) In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
 - c) For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost may not be available.
 - d) For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and health and education cess) without indexation.
- 12.4.7. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are transferred under the Offer, will be subject to short term capital gains tax and shall be taxable at the rates prescribed in First Schedule to the Finance Act (i.e. applicable marginal tax rates applicable to different categories of persons) (plus applicable surcharge and health and education cess).
- 12.4.8. Taxability of capital gain arising to a non-resident in India from the transfer of equity shares shall be determined basis the provisions of the IT Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act.
- 12.4.9. As per Section 70 of the IT Act, short-term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- 12.4.10. Long-term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.

12.4.11. Investment Funds

Under Section 10 (23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head, "Profits and gains of business or profession" would be exempt from income tax but would be taxable in the hands of their investors. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

12.4.12. Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or Regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the RBI and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

12.5. Taxability of business income in hands of shareholders (Shares held as Stock-in-Trade)

- 12.5.1. If the shares are held as stock-in-trade by any of the eligible Public Shareholders of the Target Company, then the gains will be characterized as business income and taxable under the head "Profits and Gains from Business or Profession".

a) Profit of Resident Shareholders

- (i) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.

- (ii) Domestic companies having turnover or gross receipts not exceeding Rs. 400 crore in the prescribed financial year, will be taxable @ 25%.
- (iii) Domestic companies which have opted for concessional tax regime under Section 115BAA and 115BAB of the IT Act will be taxable at 22%, upon meeting certain conditions.
- (iv) For persons other than stated in (A), (B) and (C) above, profits will be taxable @ 30%.
- (v) No benefit of indexation by virtue of period of holding will be available in any case.

b) Profit of Non-Resident Shareholders

- (i) Non-resident Public Shareholders can avail beneficial provisions of the applicable DTAA entered into by India with the relevant country of residence of the shareholder but subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act.
- (ii) Where DTAA provisions are not applicable:
- (iii) For non-resident individuals, HUF, AOP and BOI, profits (as determined in accordance with the provisions of the IT Act) will be taxable at slab rates.
- (iv) For foreign companies, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @ 40%.
- (v) For other non-resident Public Shareholders, such as foreign firms, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @ 30%.

12.6. THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE 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, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

13. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Shareholders at the registered office of the Manager to the Offer, Chartered Finance Management Limited, located at 2nd Floor, Wakefield House, Sprott Road, Ballard Estate, Mumbai - 400038, Maharashtra, India on any working day (i.e., Monday through Friday and not being a Bank holiday in Mumbai) between 10:30 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the Tendering Period commencing from Tuesday, June 21, 2022 to Monday, July 04, 2022:

- 13.1. Copy of Certificate of Incorporation of the Target Company.
- 13.2. Copy of Memorandum of Association and Articles of Association of the Target Company.
- 13.3. Copy of Share Purchase Agreement dated Wednesday, April 27, 2022, entered between the Promoter Sellers and the Acquirers, which triggered this Offer.
- 13.4. Copy of Memorandum of Understanding between the Manager to the Offer and the Acquirers.
- 13.5. Copy of Agreement between the Registrar to the Offer and the Acquirers.
- 13.6. Copy of Escrow Agreement dated [●] between the Acquirers, Escrow Bank, and Manager to the Offer.
- 13.7. Certificate dated March 31, 2022 from Kapil Sandeep & Associates, Chartered Accountants, bearing firm registration number 'FRN016244N' (Surinder Pal Singh, Partner; Membership No. 511569) having their office at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India, certifying the networth and firm and adequate financial resources of Acquirer 1 to fulfil his Open Offer obligations.
- 13.8. Certificate dated April 2, 2022 from Kapil Sandeep & Associates, Chartered Accountants, bearing firm registration number 'FRN016244N' (Surinder Pal Singh, Partner; Membership No. 511569) having their office at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India, certifying the networth and firm and adequate financial resources of Acquirer 2 to fulfil his Open Offer obligations.
- 13.9. Certificate dated April 26, 2022 from Kapil Sandeep & Associates, Chartered Accountants, bearing firm registration number 'FRN016244N' (Surinder Pal Singh, Partner; Membership No. 511569) having their office at S.C.O. 10, 2nd Floor, Sector 58, Industrial Area, Mohali, Punjab, India, certifying the networth and firm and adequate financial resources of Acquirer 3 to fulfil its Open Offer obligations.
- 13.10. Copy of Certificate of Incorporation and Memorandum and Articles of Association of Acquirer 3.
- 13.11. Audited Annual Reports for the last 3 (three) Financial Years ending March 31, 2021, March 31, 2020, and March 31, 2019, and Unaudited Financial Results with Limited Review Report for the six-months period ended September 30, 2021, of the Target Company.
- 13.12. Bank Statement received from ICICI Bank Limited (Escrow Bank) confirming receipt of requisite escrow amount in the escrow account.
- 13.13. Copy of the Public Announcement dated Wednesday, April 27, 2022.
- 13.14. Copy of the Detailed Public Statement dated Thursday, May 05, 2022, published on behalf of the Acquirers on Thursday, May 05, 2022, in the newspapers (Financial Express, Jansatta and Mumbai Lakshdeep).
- 13.15. Copy of the recommendation(s) to be published on [●] made by the Committee of Independent Directors (IDC) of the Target Company.
- 13.16. Observation letter bearing reference number [●] dated [●] received from SEBI.

14 DECLARATION BY THE ACQUIRERS

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company, the Acquirers have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers (including the Directors of Acquirer 3), accept full responsibility for the information contained in this Draft Letter of Offer and also accept responsibility for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations. The Acquirers will be severally and jointly responsible for ensuring compliance with the SEBI (SAST) Regulations.

ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRERS

RAJIV VASHISHT	GAURAV KUMAR	ANNAYA MANAGEMENT CONSULTANCY PRIVATE LIMITED
Sd/-	Sd/-	Sd/-

Date: Thursday, May 12, 2022

Place: Mumbai