

02 September 2020

To  
**IM+ Capitals Limited**  
817, Antriksh Bhawan,  
22 K.G. Marg, New Delhi – 110 001, India

**Sub: Letter of Offer dated 02 September 2020 (“LOF”) in relation to an open offer to the Public Shareholders (as defined in the LOF) of IM+ Capitals Ltd (the “Target Company”) (“Open Offer” / “Offer”)**

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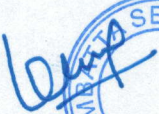
Dear Sirs,

With respect to the captioned Offer and in accordance with Regulation 18 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, please find enclosed Letter of Offer dated 02 September 2020.

Please acknowledge and disseminate the same on your website.

Thanking you,

For **Khambatta Securities Limited**

  
**Vipin Aggarwal**  
**Authorised Signatory**



**Encl:** Letter of Offer dated 02 September 2020

## LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Public Shareholder of IM+ Capitals Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your Equity Shares, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement (as defined below) to the member of the Stock Exchange (as defined below) through whom the said sale was effected.

**Mr. Rakesh Kumar Singhal (“Acquirer 1”)**

**An individual residing at HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India,  
Email Id: lpg@tirupatitubeindia.com, Tel: 9810266049,**

**Mr. Vishal Singhal (“Acquirer 2”)**

**An individual residing at HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India,  
Email Id: lpg@tirupatitubeindia.com, Tel: 9910800959**

**and**

**Tirupati Containers Private Limited (“Acquirer 3”)**

**A private limited company incorporated under the Companies Act, 1956 having registered office at 72, GF,  
World Trade Centre, Babar Road Connaught Place New Delhi – 110 001, India  
CIN: U74999DL2004PTC125498  
Email Id: lpg@tirupatitubeindia.com, Tel: 01204169337**

**ALONG WITH PERSONS ACTING IN CONCERT (“PAC”)**

**Mrs. Kusum Singhal (“PAC 1”)**

**An individual residing at HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India,  
Email Id: lpg@tirupatitubeindia.com, Tel: 9810266049**

**Mrs. Tanya Singhal (“PAC 2”)**

**An individual residing at HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India,  
Email Id: lpg@tirupatitubeindia.com, Tel: 9910800959**

MAKE A CASH OFFER OF INR 25 (RUPEES TWENTY-FIVE ONLY) PER FULLY PAID UP EQUITY SHARE OF THE FACE VALUE OF INR 10 (RUPEES TEN ONLY) EACH, TO ACQUIRE UP TO 9,10,415 (NINE LAKHS TEN THOUSAND FOUR HUNDRED AND FIFTEEN) FULLY PAID UP EQUITY SHARES REPRESENTING 26.00% (TWENTY SIX PER CENT) OF THE TOTAL VOTING SHARE CAPITAL, UNDER THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 TO THE PUBLIC SHAREHOLDERS OF

**IM+ CAPITALS LIMITED**

**a listed public limited company incorporated under the Companies Act, 1956**

**Registered Office: 817, Antriksh Bhawan, Kasturba Gandhi Marg, New Delhi, Delhi – 110 001, India;  
CIN: L74140DL1991PLC340407**

**Email Id: imcapitalslimited@gmail.com, Tel: 01142838332**

- 1. This Offer is being made by the Acquirers and PAC pursuant to Regulations 3(1) and 4 and other applicable provisions of the Takeover Regulations.**
2. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the Takeover Regulations.
- 3. This Offer is NOT a competing offer in terms of Regulation 20 of the Takeover Regulations.**
4. As on date, to the best of the knowledge and belief of the Acquirers and PAC, there are no statutory approvals (*defined below*) required to acquire equity shares that are validly tendered pursuant to this Offer. However, the Offer would be subject to all the statutory approvals that may become applicable at a later date but before the completion of the Offer.
5. Under Regulation 18(4) of the Takeover Regulations, the Acquirer is permitted to revise the Offer Price or the number of Offer Shares at any time prior to the commencement of 1 Working Day before the commencement of the Tendering Period in terms of the Takeover Regulations, i.e. 07 September 2020, the Acquirers and PAC shall (i) make corresponding increases to the escrow amounts, (b) make a public announcement in the Newspapers in which the detailed public statement (“DPS”) was published, and (c) simultaneously with the making of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
6. The Acquirer may withdraw the Offer in accordance with Regulation 23 of the Takeover Regulations. In the event of a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the DPS had appeared.
- 7. There has been no competing offer as on the date of this LoF.**
- 8. If there is a competing offer at any time hereafter, the offers under all subsisting bids will open and close on the same date.**
9. Unless otherwise stated, the information set out in this LoF reflects the position as of the date hereof.
10. A copy of the public announcement in relation to this Offer (“PA”), DPS and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also expected to be available on the website of Securities and Exchange Board of India (“SEBI”) (<http://www.sebi.gov.in>).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
	
<p><b>Khambatta Securities Limited</b>  C-42, South Extension Part-II,  New Delhi- 110049, India  <b>Tel:</b> 011 4164 5051  <b>eMail:</b> vinay@khambattasecurities.com  <b>Website:</b> www.khambattasecurities.com  <b>Contact Person:</b> Mr. Vipin Aggarwal;  Mr. Vinay Pareek  <b>SEBI Registration No.:</b> INM 000011914</p>	<p><b>Bigshare Services Private Limited</b>  1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana  Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059  <b>Tel:</b>+91-022-62638200; <b>Fax:</b> +91-022-62638280;  <b>eMail:</b> openoffer@bigshareonline.com;  investor@bigshareonline.com  <b>Website:</b> www.bigshareonline.com  <b>Contact Person:</b> Mr. Arvind Tandel  <b>SEBI Reg. No.:</b> INR 000001385</p>

## SCHEDULE OF THE ACTIVITIES PERTAINING TO THE OFFER

Nature of Activity	Original Schedule of Activities (as disclosed in the Draft Letter of Offer)	Revised Schedule of Activities
	Day and Date	Day and Date
Issue of Public Announcement	Friday, 05 June 2020	Friday, 05 June 2020
Publication of the Detailed Public Statement in newspapers	Friday, 12 June 2020	Friday, 12 June 2020
Filing of Draft Letter of Offer with SEBI	Friday, 19 June 2020	Friday, 19 June 2020
Last date of Public Announcement for Competing Offer(s)	Friday, 03 July 2020	Friday, 03 July 2020
Last date for SEBI observations on the Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager)	Friday, 10 July 2020	Tuesday, 25 August 2020
Identified Date*	Tuesday, 14 July 2020	Wednesday, August 26, 2020
Last Date by which Letter of Offer is to be dispatched to the Shareholders	Tuesday, 21 July 2020	Thursday, September 03, 2020
Last date by which a Committee of Independent Directors of the Target Company shall give its recommendation to the Public Shareholders	Friday, 24 July 2020	Monday, September 07, 2020
Last Date for upward revision of the Offer Price/Offer Size	Friday, 24 July 2020	Monday, September 07, 2020
Date of publication of Offer opening Public Announcement in the newspapers in which this DPS has been published	Monday, 27 July 2020	Tuesday, September 08, 2020
Date of commencement of tendering period (Offer Opening Date)	Tuesday, 28 July 2020	Wednesday, September 09, 2020
Date of closure of tendering period (Offer Closing Date)	Monday, 10 August 2020	Tuesday, September 22, 2020
Last date for issue of post-offer advertisement	Monday, 17 August 2020	Monday, September 28, 2020
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders of the Target Company	Monday, 24 August 2020	Monday, October 05, 2020

\* Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirers and PAC and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.

\*\* Actual date of receipt of SEBI's final observations on the Draft Letter of Offer.

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

## **RISK FACTORS**

The risk factors set forth below are not a complete analysis of all risks in relation to the Offer or in association with the Acquirers and the PAC but are only indicative in nature. The risk factors set forth above are limited to the transactions contemplated under the SPA (as defined below) and the Offer and do not pertain to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by Public Shareholders in this Offer but are merely indicative. Public Shareholders are advised to consult their stockbrokers, investment consultants and / or tax advisors, for analyzing and understanding all the risks with respect to their participation in this Offer.

For capitalized terms used herein please refer to 'Definitions / Abbreviations' set out below.

### **1. Risk relating to the underlying transaction**

- 1.1. As on the date of this Letter of Offer ("LoF"), to best of the knowledge of the Acquirers, there are no statutory approval(s) required by the Acquirers to complete the acquisition of the Sale Shares ('Underlying Transaction') under the SPA.
- 1.2. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

### **2. Risks relating to the Offer**

- 2.1. As on the date of this LoF, to the best of knowledge and belief of the Acquirers and PAC, no statutory approvals are required by the Acquirers to acquire the equity shares that are validly tendered pursuant to this Offer. However, in case of any other statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals and the Acquirers shall make the necessary applications for such approvals. In the event of non-receipt of any of the statutory approvals, which may become applicable for acquisition of equity shares the Acquirers shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the Takeover Regulations. In the event of such a withdrawal of the Offer, the Acquirers shall, through the Manager to the Offer, within two Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the Takeover Regulations.
- 2.2. In case of delay in receipt of any statutory approval(s), 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(s), and subject to such terms and conditions as may be specified by SEBI (including payment of interest in accordance with Regulation 18(11) of the Takeover 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 Public Shareholders whose Equity Shares have been accepted in the Offer. Furthermore, in case of delay in receipt of any such statutory approval(s), the Offer process may be delayed beyond the schedule of activities indicated in this LoF.
- 2.3. In the event of any litigation leading to a stay order on or an injunction against this Offer by a court of competent jurisdiction, or SEBI instructing that the Offer should not proceed, the Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated in this LoF. Consequently, in the event of any delay, the payment of consideration to the Public Shareholders of the Target Company, whose Equity Shares are validly tendered and accepted by the Acquirers under this Offer, as well as the return of Equity Shares not accepted under this Offer by the Acquirers may be delayed.
- 2.4. The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer, on behalf of the Public Shareholders who have tendered their Equity Shares until the completion of the formalities of this Offer and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares held in trust by the Registrar to the Offer during such period, even if the acceptance of the Equity Shares in this Offer and/or dispatch of payment consideration are delayed.
- 2.5. The Public Shareholders should note that under the Takeover Regulations, once the Public Shareholders have tendered their Equity Shares in the Offer, they will not be able to withdraw their Equity Shares from the Offer even in the event of a delay in the acceptance of the Equity Shares under the Offer and/or the dispatch of consideration.

- 2.6. All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender their Equity Shares in the Offer (including without limitation, approval from the RBI, if applicable) and submit copies of such approvals, along with the other documents required for accepting this Offer. In the event that copies of such approvals are not submitted, the Acquirers reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares, along with the other documents required to be submitted to accept this Offer. In the event copies of such approvals are not submitted, the Acquirers reserves the right to reject such Equity Shares.
- 2.7. The 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 to the Offer do not accept any responsibility in this regard, including for the accuracy or otherwise of the tax provisions set forth in this LoF.
- 2.8. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS, the DLoF, the LoF, the Offer Opening PA or in any Corrigendum (if issued) or any other materials issued by or at the instance of the Acquirers and the Manager to the Offer in relation to the Offer (excluding all information which has been obtained from publicly available sources), and anyone or any person placing reliance on any other source of information (not released by the Acquirers or the Manager to the Offer) in relation to the Offer will be doing so at his/her/its own risk.
- 2.9. This LoF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LoF resident in jurisdictions outside India should inform themselves of and observe any 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, PAC or the Manager to the Offer to any new or additional registration requirements.
- 2.10. This Offer is subject to completion risks as would be applicable to similar transactions.

### **3. Risks relating to the Acquirers and PAC**

- 3.1. None of the Acquirers, PAC or the Manager make any assurance with respect to the continuation of past trends in the financial performance of the Target Company.
- 3.2. None of the Acquirers, PAC or the Manager can provide any assurance with respect to the market price of the Equity Shares before, during or after the Offer Period and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer.
- 3.3. None of the Acquirers, PAC or the Manager make any assurance with respect to their investment or disinvestment relating to their proposed shareholding in the Target Company.

### **CURRENCY OF PRESENTATION**

1. In this LoF, all references to 'Rs.' / 'Rupee' / 'INR' are references to Indian Rupee(s), the official currency of India.
2. In this LoF, 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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## DEFINITIONS / ABBREVIATIONS

Terms	Details / Definition
<b>Acquirers</b>	Mr. Rakesh Kumar Singhal (“Acquirer 1”), Mr. Vishal Singhal (“Acquirer 2”) and Tirupati Containers Pvt Ltd (“Acquirer 3”) (hereinafter collectively called “Acquirers”)
<b>Beneficial Owner</b>	Beneficial owners of the Equity Shares, whose names appeared as beneficiaries on the records of their respective Depository Participants at the close of business hours on the Identified Date or at any time before the closure of the Tendering Period.
<b>BSE</b>	BSE Limited.
<b>Buying Broker</b>	Nikunj Stock Brokers Limited
<b>Clearing Corporation</b>	Indian Clearing Corporation Limited.
<b>Designated Stock Exchange / Stock Exchange</b>	BSE Limited
<b>DIS</b>	Delivery Instruction Slip.
<b>DPS</b>	The Detailed Public Statement dated 11 June 2020, published on behalf of the Acquirers and PAC in the Newspapers on 12 June 2020.
<b>DP</b>	Depository Participant.
<b>DLoF / Draft Letter of Offer</b>	The draft letter of offer filed with SEBI pursuant to Regulation 16(1) of the Takeover Regulations.
<b>Equity Shares</b>	Fully paid up equity shares of the Target Company having a face value of INR 10 each.
<b>Escrow Bank</b>	Kotak Mahindra Bank Limited
<b>Form of Acceptance- cum- Acknowledgment</b>	The form of acceptance-cum-acknowledgement, which will be a part of the Letter of Offer.
<b>FII</b>	Foreign Institutional Investor as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995.
<b>FPI</b>	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, registered with SEBI under applicable laws in India.
<b>Identified Date</b>	The date as mentioned in Schedule of Activities and falling on the 10th Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent.
<b>IT Act</b>	The Income Tax Act, 1961, as amended from time to time.
<b>Letter of Offer / LoF</b>	The Letter of Offer, duly incorporating SEBI’s comments on the DLoF including the Form of Acceptance-cum-Acknowledgement
<b>Maximum Consideration</b>	INR 2,27,60,375 (Rupees Two Crores Twenty-Seven Lakhs Sixty Thousand Three Hundred Seventy-Five) being the maximum consideration payable assuming full acceptance of the Offer.
<b>Manager / Manager to the Offer</b>	Khambatta Securities Limited.
<b>NA</b>	Not Applicable
<b>NRI</b>	Non-Resident Indians and persons of Indian origin residing abroad.
<b>Offer / Open Offer</b>	Open offer being made by the Acquirers along with PAC to the Public Shareholders of the Target Company, to acquire up to 9,10,415 Equity Shares at a price of INR 25.00 per Equity Share.
<b>Offer Escrow Account</b>	Account No. 2814183603 with the name “IM PLUS CAPITALS LTD ESCROW ACCOUNT” opened with the Escrow Bank pursuant to the Offer Escrow Agreement.
<b>Offer Escrow Agreement</b>	Agreement dated 05 June 2020 entered into between the Acquirers, Manager to the Offer and the Escrow Bank.
<b>Offer Opening Date</b>	Date of commencement of the Tendering Period and as mentioned in the Schedule of Activities.
<b>Offer Closing Date</b>	Date of closure of the Tendering Period and as mentioned in the Schedule of Activities.
<b>Offer Period</b>	Has the same meaning as ascribed to it under the Takeover Regulations.
<b>Offer Price</b>	INR 25 per Equity Share at which the Offer is being made to the Public Shareholders.
<b>Offer Shares</b>	9,10,415 Equity Shares representing 26.00% of the Voting Share Capital.
<b>Offer Size</b>	Up to 9,10,415 Equity Shares to be purchased in the Offer, assuming full acceptance representing 26.00% of the Voting Share Capital.
<b>PAC</b>	Persons acting in concert with the Acquirers for this Offer, i.e. Mrs. Kusum Singhal (“PAC 1”) and Ms. Tanya Singhal (“PAC 2”) (hereinafter collectively called “PAC”).
<b>PAN</b>	Permanent Account Number.
<b>Public Announcement / PA</b>	Announcement of the Offer made on behalf of the Acquirers and PAC, dated 05 June 2020.



<b>Public Shareholders</b>	All the equity shareholders of the Target Company excluding (i) the Acquirers and the PAC; (ii) parties to the SPA; and (iii) the persons acting in concert or deemed to be acting in concert with the persons set out in (i) and (ii).
<b>RBI</b>	Reserve Bank of India.
<b>Registrar to the Offer</b>	Bigshare Services Private Limited, having its registered office at E-3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai, Maharashtra – 400072 and corporate office at 1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059.
<b>RTA</b>	Link Intime India Pvt Ltd, being the registrar and share transfer agent of the Target Company.
<b>SALE SHARES</b>	16,06,469 Equity Shares having face value of INR 10 (Indian Rupees Ten only) each, constituting 45.88% (Forty-Five Point Eight Eight percent only) of the voting share capital of the Target Company, to be sold by the Sellers to the Acquirers and PAC, in terms of the SPA
<b>SCRR</b>	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
<b>SEBI</b>	Securities and Exchange Board of India.
<b>SEBI Act</b>	Securities and Exchange Board of India Act, 1992, as amended from time to time.
<b>SEBI (LODR) Regulations</b>	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
<b>SELLERS</b>	Mr. Pradeep Misra, Mrs. Richa Misra and Rudrabhishek Infosystem Private Limited, all from the Promoter and Promoter Group of Target Company.
<b>SPA</b>	A Share Purchase Agreement dated 05 June 2020, signed between the Promoters of Target Company and the Acquirers to acquire 16,06,469 Equity Shares, constituting 45.88% of the total Voting Share Capital.
<b>STT</b>	Securities Transaction Tax.
<b>Takeover Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
<b>Target Company</b>	IM+ Capitals Limited having its registered office at 817, Antriksh Bhawan, Kasturba Gandhi Marg, New Delhi, Delhi – 110 001, India.
<b>Tendering Period</b>	Period expected to commence from offer opening date and end on offer closing date (both days inclusive).
<b>TRS</b>	Transaction Registration Slip
<b>Voting Share Capital</b>	The total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10th (Tenth) Working Day from the closure of the Tendering Period for the Offer.
<b>Working Day</b>	Working days of SEBI as defined in the Takeover Regulations, in Mumbai and New Delhi.

## **1. DISCLAIMER CLAUSE**

- 1.1. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DLOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DLOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE TAKEOVER REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF IM+ CAPITALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PAC OR THE TARGET COMPANY WHOSE EQUITY SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS AND PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND PAC DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, KHAMBATTA SECURITIES LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 19 JUNE 2020 TO SEBI IN ACCORDANCE WITH THE TAKEOVER REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

## **2. DETAILS OF THE OFFERS**

### **2.1. Background of the Offer**

- 2.1.1. This Offer is a mandatory offer, being made by the Acquirers and PAC to all the Public Shareholders, in compliance with Regulations 3(1) & 4 and other applicable provisions of the Takeover Regulations, pursuant to the SPA dated 05 June 2020 entered into by and amongst the Sellers (who are part of Promoter and Promoter Group of the Target Company) the Acquirers and PAC for acquisition of 16,06,469 fully paid up Equity Shares having face value of INR 10 (Indian Rupees Ten only) each (“Sale Shares”) constituting 45.88% of the Voting Share Capital of the Target Company at a price of INR 25/- (Indian Rupees Twenty Five only) per fully paid-up Equity Share (“Negotiated Price”) aggregating to INR 4,01,61,725/- (Rupees Four Crores One Lakh Sixty-One Thousand Seven Hundred Twenty-Five only) (“Purchase Consideration”) payable in cash. The Acquirers do not hold any shares in the Target Company. PAC 1 and PAC 2 hold 27,369 Equity Shares (0.78% of total paid up capital) and 29,005 Equity Shares (0.83% of total paid up capital) respectively.
- 2.1.2. The key terms and conditions of the Share Purchase Agreement are as follows:
- 2.1.2.1. Pursuant to the SPA, the Acquirers and PAC, relying on the representations and warranties of the Sellers, agreed to purchase the Sale Shares constituting 45.88% of the Voting Share Capital of the Target Company at the Negotiated Price for the Purchase Consideration.
- 2.1.2.2. As a consequence of the SPA, the Sellers shall cease to be the Promoters of the Company and the Acquirers and PAC shall become the Promoters/ part of Promoter Group of the Company under the provisions of the Takeover Regulations.
- 2.1.2.3. The SPA is subject to the compliance of provisions of the Takeover Regulations.
- 2.1.2.4. The SPA contains mutual customary representations and warranties between the Acquirers and PAC and the Sellers, including in relation to compliance with applicable laws.

For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of the Target Company may refer to the SPA which would be available to them for inspection during the Tendering Period as mentioned under Part 9 “Documents for Inspection”.

2.1.3. In accordance with Regulation 26(7) of the Takeover Regulations, the committee of independent directors of the Target Company are required to provide their written reasoned recommendations on the Offer to the Public Shareholders and such recommendations are required to be published in the specified form at least 2 (two) Working Days before the commencement of the Tendering Period.

## 2.2. Details of the Proposed Offer

2.2.1. The Public Announcement made on 05 June 2020 announcing the Offer is in compliance with Regulations 3(1) and 4 and other applicable provisions of the Takeover Regulations pursuant to the acquisition of 45.88% of the Voting Share Capital.

2.2.2. The DPS dated 11 June 2020 was published in Newspapers mentioned below on 12 June 2020:

Sr. No.	Newspaper	Language	Editions
1.	Financial Express	English	All
2.	Jansatta	Hindi	All
3.	Mumbai Lakshdeep	Marathi	Mumbai

The Public Announcement and the DPS is also available at SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in).

2.2.3. The Offer is being made to all the Shareholders of the Target Company except the parties to the SPA. The Equity Shares of the Target Company under this Offer will be acquired solely by the Acquirers as fully paid-up, free from any lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof

2.2.4. Pursuant to the Offer, the Acquirers proposes to acquire up to 9,10,415 Equity Shares, constituting 26.00% of the Voting Share Capital of the Target Company at an Offer Price of INR 25.00 per Offer Share, aggregating to INR 2,27,60,375 payable by way of cash, subject to the terms and conditions of this LoF and in accordance with the Takeover Regulations.

2.2.5. All the Equity Shares validly tendered under this Offer to the extent of 26.00% of the Voting Share Capital will be acquired by the Acquirers in accordance with the terms and conditions set forth in this LoF. The Public Shareholders who tender their Equity Shares should ensure that the Equity Share are free from all liens, charges, equitable interests and encumbrances and the Equity Shares will be acquired together with the rights attached thereto, including all rights to dividend, bonus and rights offer, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis. All Equity Shares validly tendered by the Public Shareholders will be accepted at the Offer Price by the Acquirers in accordance with the terms and conditions contained in the Public Announcement, DPS and this LoF.

2.2.6. The Target Company does not have any (i) partly paid-up Equity Shares; or (ii) other convertible instruments;

2.2.7. There is no differential pricing for this Offer.

2.2.8. This Offer is unconditional and not subject to any minimum level of acceptance from the Public Shareholders, in terms of Regulation 19(1) of the Takeover Regulations.

2.2.9. This Offer is not a competing offer in terms of Regulation 20 of the Takeover Regulations.

2.2.10. The Acquirers and PAC have not acquired any Equity Shares between the date of the Public Announcement and the date of this LoF.

2.2.11. There has been no competing offers to this Offer.

2.2.12. The Equity Shares of the Target Company are listed on only one Stock Exchange – BSE Limited.

2.2.13. As per Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (“SCRR”), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the acquisition of Equity Shares in this Offer, pursuant to the SPAs and/ or during the Offer period (if any), the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirers and PAC hereby undertake that the public shareholding in the Target Company will be enhanced, in such manner and within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

### 2.3. **Objects of the Acquisition / Offer**

2.3.1. The Offer is being made to the Public Shareholders in accordance with regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the substantial acquisition of shares, of the Target Company by the Acquirers and PAC in accordance with and subject to the terms of the Share Purchase Agreement.

2.3.2. In terms of regulation 25(2) of the Regulations, the Acquirers and the PAC do not currently have any intention to alienate any material assets of the Target or any of its subsidiaries in the succeeding 2 (two) years from the completion of this Offer save and except:

2.3.2.1. in the ordinary course of business; or

2.3.2.2. on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company; or

2.3.2.3. as has already been disclosed by the Target Company in the public domain.

2.3.3. After the completion of this Offer and pursuant to the transfer of the Sale shares so acquired, the Acquirers and PAC will hold the majority of the Equity Shares by virtue of which they will be in a position to exercise effective management and control over the Target Company.

2.3.4. The Acquirers and PAC reserves the right to streamline/ restructure, pledge/ encumber their holding in the Target Company and/ or the operations, assets, liabilities and/ or businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets or undertakings and/ or re-negotiation or termination of existing contractual/ operating arrangements, at a later date in accordance with applicable laws. Such decisions will be taken in accordance with procedures set out under applicable law, pursuant to business requirements and in line with opportunities or changes in economic circumstances, from time to time.

## 3. **BACKGROUND OF THE ACQUIRERS AND PAC**

### 3.1. **Acquirer 1**

3.1.1. Mr. Rakesh Kumar Singhal (“Acquirer 1”), is an individual aged about 52 Years and is a resident of HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India, Email Id: lpg@tirupatitubeindia.com.

3.1.2. Acquirer 1 is the Promoter, Executive Director of Tirupati Containers Pvt. Ltd. He holds an experience of over 26 year in the industry. He is a commerce graduate from MD University, Rohtak and comes from a well-known family based in Jhajjar, Haryana. With his straight forward approach, he started his career in 1993 with trading of Iron Steel HR Coil. Thereafter, in the year 1996 he set up a Steel Processing Unit at Ghaziabad under the name M/s Jagdamba Steel Processer, a proprietorship. Further, to pursue his long-term dream to enter into the manufacturing, he co-founded Tirupati Containers Pvt. Ltd. in the year 2004. Currently, he is taking care of strategic planning and decision making of the company. In the year 2014, he set up a Cylinders manufacturing unit at Sikandrabad (UP) under the company Biharji Containers Pvt. Ltd which have now extended its business in Bhubaneshwer, Odisha in the year 2017.

3.1.3. The Net Worth of Acquirer 1 is approximately INR 18.29 Crores as on 15 May 2020 as certified vide certificate dated 30 May 2020 issued by O. Aggarwal & Co., Chartered Accountants (Firm Membership No. 005755N) having head office at H-3/11A, Krishna Nagar, Delhi – 110 051.

- 3.1.4. Acquirer 1 does not hold any shares in the target Company as on date of this LoF. Further, Acquirer 1 is not a Director on the board of the Target Company. Pursuant to the underlying transaction (as defined below), Acquirer 1 proposes to acquire 1,00,000 Equity Shares of the Target Company constituting 2.86 % of the total Voting Share Capital.
- 3.1.5. Acquirer 1 is not a part of any group. Further, Acquirer 1 does not have any relationship or interest in the Target Company. Upon consummation of the Underlying transaction, Acquirer 1 will become a Promoter of the Company.
- 3.1.6. Acquirer 1 does not hold any Equity Shares or voting rights in the Target Company. Furthermore, Acquirer 1 has not acquired any Equity Shares after the date of the PA.
- 3.1.7. Acquirer 1 is not a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the Takeover Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any other regulations made under the SEBI Act.
- 3.1.8. Acquirer 1 is not a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 3.1.9. Acquirer 1 does not have any directions subsisting or proceedings pending against him under SEBI Act, 1992 and regulations made thereunder.

## **3.2 Acquirer 2**

- 3.2.1 Mr. Vishal Singhal ("**Acquirer 2**"), is an individual aged about 27 Years and is a resident of HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India, Email Id: tcpl.vishal@gmail.com.
- 3.2.2 Acquirer 2 is the son of Acquirer 1 i.e. Mr. Rakesh Kumar Singhal. Acquirer 2 has experience of over 5 years in cylinders industry. He is an MBA from S.P. Jain Institute of Management & Research. He started his career in 2014 under his family business. In 2014 he setup a cylinders manufacturing unit at Sikandrabad (UP) under the name Vishal LPG Industries, a proprietorship concern.
- 3.2.3 The Net Worth of Acquirer 2 is approximately INR 95.66 Crores as on 15 May 2020 as certified vide certificate dated 30 May 2020 issued by O. Aggarwal & Co., Chartered Accountants (Firm Membership No. 005755N) having head office at H-3/11A, Krishna Nagar, Delhi – 110 051.
- 3.2.4 Acquirer 2 does not hold any shares in the target Company as on date of this LoF. Further, Acquirer 2 is not a Director on the board of the Target Company. Pursuant to the underlying transaction (as defined below), Acquirer 2 proposes to acquire 1,00,000 Equity Shares of the Target Company constituting 2.86 % of the total Voting Share Capital.
- 3.2.5 Acquirer 2 is not a part of any group. Further, Acquirer 2 does not have any relationship or interest in the Target Company. Upon consummation of the Underlying transaction, Acquirer 2 will become a Promoter of the Company.
- 3.2.6 The Acquirer 2 does not hold any Equity Shares or voting rights in the Target Company. Furthermore, Acquirer 2 has not acquired any Equity Shares after the date of the PA.
- 3.2.7 Acquirer 2 is not a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the Takeover Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any other regulations made under the SEBI Act.
- 3.2.8 Acquirer 2 is not a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 3.2.9 Acquirer 2 does not have any directions subsisting or proceedings pending against him under SEBI Act, 1992 and regulations made thereunder.

### 3.3 Acquirer 3

3.3.1 Tirupati Containers Private Limited (“Acquirer 3”) is a private limited company and was incorporated as Tanya Pipes Pvt Ltd on March 29, 2004 under the Companies Act, 1956. Its registered office is located at 72, GF, World Trade Centre, Babar Road Connaught Place New Delhi – 110 001, India. Subsequently, in the same year, the name of company was changed to its current name, Tirupati Containers Pvt Ltd, vide fresh Certificate of Incorporation dated April 15, 2004. CIN of the company is U74999DL2004PTC125498.

3.3.2 The issued and paid up share capital of the Acquirer 3 amounts to INR 2,88,32,930 and consists of 28,83,293 fully paid up equity share of face value INR 10/- each. Mr. Rakesh Kumar Singhal and Mr. Vishal Singhal are the Promoters of Acquirer 3.

3.3.3 Shareholding Pattern of Acquirer 3 is as follows:

Sr. No.	Shareholder’s Category	No. of Shares held	Percentage
1	Promoters & Promoter Group	15,50,270	53.77
2	FII/ Mutual Funds/ FIs/ Banks	Nil	Nil
3	Public	13,33,023	46.23
	<b>Total Paid up Capital</b>	<b>28,83,293</b>	<b>100.00</b>

Acquirers and PAC hold following number of shares in Acquirer 3:

Sr. No.	Name of Acquirer / PAC	Number of Shares held in Tirupati Containers Private Limited (‘Acquirer 3’)	% of total paid up capital
1.	Mr. Rakesh Kumar Singhal (‘Acquirer 1’)	9,05,750	31.41
2.	Mr. Vishal Singhal (‘Acquirer 2’)	2,02,500	7.02
3.	Mrs. Kusum Singhal (‘PAC 1’)	Nil	Nil
4.	Ms. Tanya Singhal (‘PAC 2’)	1,91,238	6.63
	<b>Total</b>	<b>12,99,488</b>	<b>45.07</b>

3.3.4 Acquirer 3 is in the business of manufacturing and trading of MS Ring Blanks, Strips, Pipes, all kinds of ferrous and non-ferrous containers and other metals. Acquirer 3 has not made any previous investments and does not hold any shares in the target company.

3.3.5 Acquirer 3 is not a part of any group.

3.3.6 The equity shares of Acquirer 3 are not listed on any stock exchange in India or abroad.

3.3.7 Neither Acquirer 3 nor its directors or key employees have any relationship or interest in the Target Company. There are no directors on the board of the Target Company representing Acquirer 3.

3.3.8 Acquirer 3 does not hold any shares in the target Company as on date of this LoF. Further, there are no directors on the Board of Target Company representing Acquirer 3. Pursuant to the underlying transaction (as define below), the Acquirer proposes to acquirer 14,06,469 Equity Shares of the Target Company constituting 40.17% of the total Voting Share Capital. Upon consummation of the Underlying transaction, Acquirer 3 will become a Promoter/ part of Promoter group of the Company.

3.3.9 Acquirer 3 has not been prohibited by SEBI from dealing in securities under Section 11B of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”).

3.3.10 Acquirer 3 does not have any directions subsisting or proceedings pending against it under SEBI Act, 1992 and regulations made thereunder.

3.3.11 Acquirer 3 has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

3.3.12 Following is the detail of Board of Directors in Acquirer 3:

Name of Directors	DIN	Address
Rakesh Kumar Singhal	00063247	G-35B, Patel Nagar - III Ghaziabad – 201 010, Uttar Pradesh, India
Krishan Pal Singh	05154879	B-134, First Floor Krishna Enclave, West Model Town, Ghaziabad – 201 001, Uttar Pradesh, India

3.3.13 The key financial information of Acquirer 3 as at and for the period ended March 31, 2020 is based on the unaudited financial information provided by Acquirer 3 for the said period, and for the financial years ended March 31, 2019 and March 31, 2018, extracted from the respective audited financial statements for the said periods, are as follows:

#### Profit & Loss Statement

(Figures in Rupees Lakhs)

Particulars	Un-audited	Audited	
	12 Month Period Ended		
	March 31, 2020	March 31, 2019	March 31, 2018
Income from Operations	19,059.53	41,090.42	31,013.27
Other Income	28.18	27.57	26.97
<b>Total Income</b>	<b>19,087.71</b>	<b>41,117.99</b>	<b>31,040.24</b>
<b>Total Expenditure</b>	<b>18,933.37</b>	<b>40,654.95</b>	<b>30,727.95</b>
Profit Before Depreciation Interest and Tax	577.74	965.36	861.27
Depreciation	109.66	115.77	169.00
Interest	313.74	386.56	379.98
Profit/ (Loss) Before Tax	154.34	463.03	312.29
Provision for Tax	6.22	163.02	106.08
<b>Profit/ (Loss) After Tax</b>	<b>148.12</b>	<b>300.01</b>	<b>206.21</b>
<b>Other Comprehensive Income/ Loss</b>	-	-	-
<b>Total Comprehensive Income for the Year</b>	<b>148.12</b>	<b>300.01</b>	<b>206.21</b>

#### Balance Sheet

(Figures in Rupees Lakhs except EPS)

Particulars	Un-audited	Audited	
	12 Month Period Ended		
	March 31, 2020	March 31, 2019	March 31, 2018
<b>Sources of Funds</b>			
Paid Up Share Capital	288.33	288.33	194.67
Reserves and Surplus	3,808.44	3,660.32	2,226.96
Revaluation Reserves	-	-	-
Reserves and Surplus (excluding revaluation reserves)	3,808.44	3,660.32	2,226.96
<b>Net Worth (excluding revaluation reserves)</b>	<b>4,096.77</b>	<b>3,948.65</b>	<b>2,421.63</b>
Long-term Borrowings	1,673.60	2,482.70	2,799.80
Short-term Borrowings	755.57	2,785.65	2,432.76
Trade Payables	119.49	151.93	498.44
Other Current Liability	73.71	426.40	1,504.86
Non-Current Liabilities	70.46	99.44	93.23
<b>Total</b>	<b>6,789.60</b>	<b>9,894.77</b>	<b>9,750.72</b>
<b>Uses of Funds</b>			
Net Fixed Assets	1,207.91	1,259.43	1,292.43
Long-term Loans & Advances	362.02	404.10	483.49
Other Non-Current Assets	0.49	0.74	0.98

Short-term Loans & Advances	1,415.06	1,566.74	886.29
Trade Receivables	754.37	3,531.07	5,618.69
Other Current Assets	3,049.75	3,132.69	1,468.84
<b>Total</b>	<b>6,789.60</b>	<b>9,894.77</b>	<b>9,750.72</b>
<b>Other Financial Data</b>			
Basic Earnings Per share (EPS) (In Rs.)	5.14	13.73	10.59
Dividend (%)	-	-	-
Book Value Per Share (In Rs.) <sup>#</sup>	142.10	145.43	133.92

<sup>#</sup> Book Value Per Share is calculated as follows:

$$\text{Book Value Per Share} = \frac{\text{Net Worth (excluding Revaluation Reserve)}}{\text{Number of Equity Shares outstanding}}$$

Source: The financial information set forth has been extracted from the Financial Statements shared by Acquirer 3 with the Manager to the Offer.

As of 31 March 2020, Acquirer 3 has Rs. 441.64 Lakhs of Contingent Liabilities.

### 3.4 PAC 1 :

- 3.4.1 Mrs. Kusum Singhal (“**PAC 1**”), is an individual aged about 49 Years and is a resident of HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India, Email Id: lpg@tirupatitubeindia.com. She is the wife of Acquirer 1 i.e. Mr. Rakesh Kumar Singhal.
- 3.4.2 PAC 1 holds 27,369 Equity Share in the target Company representing 0.78% of the Voting Share Capital as on date of this LoF. Further, PAC 1 is not a Director on the board of the Target Company. PAC 1 is not part of the underlying transaction.
- 3.4.3 PAC 1 is not a part of any group.
- 3.4.4 PAC 1 is not a ‘wilful defaulter’ in terms of Regulation 2(1)(ze) of the Takeover Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (“SEBI Act”) or under any other regulations made under the SEBI Act.
- 3.4.5 PAC 1 is not a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018.

### 3.5 PAC 2:

- 3.5.1 Ms. Tanya Singhal (“**PAC 2**”), is an individual aged about 26 Years and is a resident of HNR 12/30, Rajnagar, Sector-12, PS - Kavi Nagar, Ghaziabad – 201002, India, Email Id: lpg@tirupatitubeindia.com. She is the daughter of Acquirer 1 i.e. Mr. Rakesh Kumar Singhal.
- 3.5.2 PAC 2 holds 29,005 Equity Shares in the target Company representing 0.83% of the Voting Share Capital as on date of this LoF. Further, PAC 2 is not a Director on the board of the Target Company. PAC 2 is not part of the underlying transaction.
- 3.5.3 PAC 2 is not a part of any group.
- 3.5.4 PAC 2 is not a ‘wilful defaulter’ in terms of Regulation 2(1)(ze) of the Takeover Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (“SEBI Act”) or under any other regulations made under the SEBI Act.
- 3.5.5 PAC 2 is not a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018.



3.5.6 Following is the detail of the Directorships being held by the Acquirers and PAC:

Sr. No	Name of Acquirers / PAC	DIN	Directorships
1.	Mr. Rakesh Kumar Singhal ("Acquirer 1")	00063247	1) Tirupati Containers Private Limited 2) K. K. Information Technology Private Limited 3) Bihari Ji Containers Private Limited 4) Kant Cylinders Private Limited 5) Bihari Ji Pressure Vessels Private limited
2.	Mr. Vishal Singhal ("Acquirer 2")	03518795	1) K. K. Information Technology Private Limited
3.	Mrs. Kusum Singhal ("PAC 1")	NA	NA
4.	Ms. Tanya Singhal ("PAC 2")	NA	NA

#### 4. **BACKGROUND OF THE TARGET COMPANY**

- 4.1. The Target Company is a public limited company bearing corporate identification number L74140DL1991PLC340407. The Target Company was incorporated on October 22, 1991. The registered office of the Target Company is located at 817, Antriksh Bhawan, Kasturba Gandhi Marg, New Delhi, Delhi – 110 001, India. The registered office has been changed from 510, Ambadeep Building, 14 Kasturba Gandhi Marg, New Delhi, Delhi – 110 001, India to its current address on February 07, 2020.
- 4.2. The name of the Target Company has not been changed in the last 3 (three) years.
- 4.3. The Equity Shares of the Target Company are listed on BSE (Scrip Code: 511628) only. The Equity Shares of the Target Company were listed on the Stock Exchanges on February 03, 1995.
- 4.4. The Target Company is a corporate and transaction advisory company with specialized focus on real estate sector and distress debt resolution, providing varied services to institutional and retail clients. It is majorly operating in the business of financial advisory, asset management and management consultancy since 1991. Target Company extends advisory services in capital management, RERA consulting and real estate transactions also & is diversified financial services company with fee based and lending business activity.

The Target Company itself is not registered with any statutory authority except being a limited liability company incorporated under the Companies Act, 1956. The Investee companies of the Target Company are registered with the statutory authorities as follows:

Sr. No.	Name of Investee Company	Investment Particulars	Nature of the Investee Company	Applicable Regulatory Authority
1.	IM+ Investments & Capital Private Limited	Wholly Owned Subsidiary	NBFC - Non Deposit taking Non-Systemically Important	RBI
2.	Vinayaka Finlease Pvt. Ltd. <sup>§</sup>	Holding 1,19,500 Equity Shares (5.01%)	NBFC - Non Deposit taking Non-Systemically Important	RBI
3.	SMC & IM Capitals Investment Manager LLP	Acting as one of the two partners while holding 50% of capital	Investment Manager of SMC IM+ Realty Fund which is a SEBI registered Category-II AIF as per www.smcimcapitals.com	SEBI

Source: Annual Report of Target Company for the FY 2018-19.

<sup>§</sup>The Target company has confirmed that as on 31<sup>st</sup> March 2020 there is no investment or control of Target Company in Vinayaka Finlease Pvt. Ltd.

- 4.5. Target Company has confirmed that there is no complaint against the Target Company which is pending.
- 4.6. Target Company has confirmed that there are no directions subsisting or proceedings pending against the Target Company under SEBI Act, 1992 and regulations made thereunder.

- 4.7. Based on the information available on the website of the Stock Exchange, the Equity Shares of the Target Company are frequently traded in terms of Regulation 2(1)(j) of the SEBI SAST Regulations.
- 4.8. The total authorized share capital of the Target Company is INR 12,00,00,000 consisting of 1,00,00,000 Equity Shares of face value INR 10 each and 2,00,000 Preference Shares of face value INR 100 each.
- 4.9. Based on the shareholding pattern as of March 31, 2020 disclosed by the Target Company to the Stock Exchanges, the Equity Share Capital of the Target Company is as set out below:

Particulars	No. of Equity Shares/voting rights	% of Equity Shares/ voting rights
Fully paid-up Equity Shares	35,01,597	100%
Partly paid-up equity shares	Nil	-
Total paid-up Equity Shares	35,01,597	100%
Total voting rights in the Target Company	35,01,597	100%

*Note: There are no preference shares issued and outstanding as on date.*

- 4.10. The Target Company does not have any (i) partly paid-up Equity Shares; and (ii) convertible or non-convertible instruments issued and outstanding as on date of this LoF.
- 4.11. All the outstanding Equity Shares of the Target Company are admitted for trading at BSE. As on date, the trading in Equity Shares of Target Company is not suspended on BSE.
- 4.12. The composition of Board is as follows:

Name	Designation	DIN	Date of Appointment
Pradeep Misra	Director	01386739	13 November 2015
Richa Misra	Director	00405282	13 February 2019
Akshay Parmar	Additional Director (Non-Executive and Independent)	08562446	29 August 2020
Rahul Chaudhary	Additional Director (Non-Executive and Independent)	07871105	07 February 2020

*Note: Ms. Arti Nigam resigned from the post of Non-Executive Independent Director on 29 August 2020.*

The composition of Key Managerial Personnel (KMP) is as follows\*:

Name	Designation	PAN	Date of Appointment
Deepak Kumar Thakur	Manager	AITPT1586B	29 August 2020
Barhma Nand Garag	Chief Financial Officer	BBUPG4651B	07 February 2020
Shikha Mehra Chawla	Company Secretary & Compliance Officer	CMOPM0152P	13 August 2018

\*Mr. Nilesh Kumar Jain who was the Manager of the company resigned from his position on 07 October 2019 citing unavoidable circumstances and personal reasons.

- 4.13. The key financial information of the Target Company as at and for the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 extracted from the respective audited consolidated financial statements for the said financial years are as follows:

#### Profit & Loss Statement

(Figures in Rupees Lakhs)

Particulars	Audited		
	12 Month Period Ended		
	March 31, 2020	March 31, 2019	March 31, 2018
Income from Operations	601.67	677.91	813.57
Other Income	16.09	10.01	4.43
<b>Total Income</b>	<b>617.76</b>	<b>687.92</b>	<b>818.00</b>
<b>Total Expenditure</b>	<b>466.87</b>	<b>467.43</b>	<b>754.32</b>
Profit Before Depreciation Interest and Tax	2,29.64	430.13	440.46
Depreciation	7.12	4.94	6.89
Interest	71.62	204.69	369.88
Profit/ (Loss) Before Tax	150.90	220.51	130.17
Share of Profit/ (Loss) of Other Partner in LLP	0.75	0.02	66.48
Provision for Tax	43.61	63.83	58.31
<b>Profit/ (Loss) After Tax</b>	<b>108.04</b>	<b>156.68</b>	<b>71.85</b>
<b>Other Comprehensive Income/ Loss<sup>#</sup></b>	<b>34.20</b>	<b>3.83</b>	<b>6.87</b>
<b>Total Comprehensive Income for the Year</b>	<b>142.24</b>	<b>160.51</b>	<b>78.72</b>

<sup>#</sup>Other Comprehensive Income/ Loss includes Actuarial Gain/ (Loss), Fair value of investment in Equity as well as their Tax Impact.

#### Balance Sheet

(Figures in Rupees Lakhs except EPS)

Particulars	Audited		
	12 Month Period Ended		
	March 31, 2020	March 31, 2019	March 31, 2018
<b>Sources of Funds</b>			
Paid Up Share Capital	350.16	350.16	350.16
Reserves and Surplus (excluding revaluation reserves)	5,690.38	5,582.33	5,425.66
<b>Net Worth</b>	<b>6,040.54</b>	<b>5,932.49</b>	<b>5,775.82</b>
Other Comprehensive Income	52.75	18.55	14.72
Borrowings (Current Liability)	384.03	1,328.27	2,256.37
Other Current Liability	1,132.64	458.27	484.18
Non-Current Liabilities	96.14	49.88	51.97
<b>Total</b>	<b>7,706.10</b>	<b>7,787.48</b>	<b>8,583.06</b>
<b>Uses of Funds</b>			
Net Fixed Assets	51.80	12.09	15.82
Capital Advance- (Against booking of Immovable	1,350.47	1,983.64	2,965.99
Non-Current Investments	-	191.84	186.31
Other Non-Current Assets	2,589.52	183.91	180.01
Current Loans	2,766.67	4549.25	4500.06
Other Current Assets	947.64	866.75	734.87
<b>Total</b>	<b>7,706.10</b>	<b>7,787.48</b>	<b>8,583.06</b>
<b>Other Financial Data</b>			
Basic Earnings Per share (EPS) (In Rs.)	3.09	4.47	2.05
Dividend (%)	Nil	Nil	Nil
Book Value Per Share (In Rs.) <sup>##</sup>	172.49	169.40	164.93

<sup>§</sup> Comprehensive income for the year (Comprising Profit After Tax and other Comprehensive income/(loss) for the year)

## Book Value Per Share is calculated as follows:

$$\text{Book Value Per Share} = \frac{\text{Net worth (excluding revaluation reserve)}}{\text{Number of Equity Shares outstanding}}$$

Note: Balance Sheet figures for the period ending 31 December 2019 of target Company were not available at the time of filing this Letter of Offer.

Source: The financial information set forth has been extracted from the Financial Statements filed by the Target Company to the Stock Exchange.

4.11 The pre-Offer and post-Offer shareholding pattern of the Target Company (based on the shareholding pattern as of June 30, 2020 disclosed by the Target Company to the Stock Exchange), is set out below:

Shareholders' category	Shareholding & voting rights prior to the SPA/ acquisition and Offer.		Shares and voting rights acquired pursuant to the SPA		Shares and voting rights to be acquired in the Offer (assuming full acceptance)		Shareholding / voting rights after the acquisition and Offer.	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
<b>1. Promoters Group</b>								
(a) Parties to the SPA	16,06,469	45.88	(16,06,469)	(45.88)	-	-	Nil	Nil
(b) Promoters other than (a) above	-	-	-	-	-	-	-	-
<b>Total 1 (a+b)</b>	<b>16,06,469</b>	<b>45.88</b>	<b>(16,06,469)</b>	<b>(45.88)</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Acquirers &amp; PAC</b>								
(a) Acquirer 1 [Rakesh Kumar Singhal]	-	-	1,00,000	2.86	50,000	1.43	1,50,000	4.28
(b) Acquirer 2 [Vishal Singhal]	-	-	1,00,000	2.86	50,000	1.43	1,50,000	4.28
(c) Acquirer 3 [Tirupati Containers Pvt Ltd]	-	-	14,06,469	40.17	8,10,415	23.14	22,16,884	63.61
(d) PAC 1 [Kusum Singhal]	27,369	0.78	-	-	-	-	27,369	0.78
(e) PAC 2 [Tanya Singhal]	29,005	0.83	-	-	-	-	29,005	0.83
<b>Total 2 (a+b+c+d+e)</b>	<b>56,374</b>	<b>1.61%</b>	<b>16,06,469</b>	<b>45.88</b>	<b>9,10,415</b>	<b>26.00</b>	<b>25,73,258</b>	<b>73.49</b>
<b>3. Parties to the agreement other than (1)(a) and (2)</b>	-	-	-	-	-	-	-	-
<b>4. Public (other than parties to the agreement, Acquirers and PAC)</b>								
(a) Institutions	-	-	-	-	-	-	-	-
(b) Others	18,38,754	52.51	-	-	(9,10,415)	(26.00)	9,28,339	26.51
<b>Total 4 (a + b)</b>	<b>18,38,754</b>	<b>52.51</b>	<b>-</b>	<b>-</b>	<b>(9,10,415)</b>	<b>(26.00)</b>	<b>9,28,339</b>	<b>26.51</b>
<b>Grand Total (1+2+3+4)</b>	<b>35,01,597</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,01,597</b>	<b>100.00</b>

4.13 The Target Company has not been party to any scheme of amalgamation, restructuring, merger / demerger and spin off during the last 3 years.

## 5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 5.1 Justification of Offer Price

5.1.1 The Equity Shares of the Target Company are currently listed on the BSE (Scrip Code: 511628) (Scrip ID: IMCAP). The ISIN of Equity Shares is INE417D01012.

5.1.2 The trading turnover in the Equity Shares based on the trading volumes during the twelve calendar months prior to the calendar month in which the PA is made i.e. June 01, 2019 to May 31, 2020 on the BSE is as under

Stock Exchange	Traded turnover of Equity Shares of the Target Company during the twelve months period ("A")	Weighted average number of Equity Shares during the twelve months period ("B")	Trading turnover % (A/B)
BSE	7,20,917	35,01,597	20.59

Source: [www.bseindia.com](http://www.bseindia.com)

Therefore, in terms of Regulation 2(1)(j) of the SEBI SAST Regulations, the Equity Shares are frequently traded.

5.1.3 The Offer Price of INR 25/- (Rupees Twenty-Five Only) per Equity Share is justified in terms of Regulation 8(2) of Takeover Regulations, being higher than the highest of the following parameters:

(Amount in Rs.)

a)	The highest negotiated price per share, if any, of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer.	25.00
b)	The volume-weighted average price paid or payable for any acquisition, whether by the Acquirers or by PAC, during the fifty-two weeks immediately preceding the date of the PA	22.34
c)	The highest price paid or payable for any acquisition, whether by the Acquirers or by PAC, during the twenty-six weeks immediately preceding the date of the PA	22.90
d)	The volume-weighted average market price of the Equity Shares for a period of sixty trading days immediately preceding the date of the PA, as traded on the BSE, provided such Equity Shares are frequently traded	21.31
e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirers, PAC and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Not Applicable

5.1.4 In view of the parameters considered and presented in the table in paragraph 5.1.3 above, the minimum offer price per Equity Share under Regulation 8(2) of the Takeover Regulations is the highest of item numbers (a) to (e) above i.e. INR 25.00 per Equity Share. Accordingly, the Offer Price is justified in terms of the Takeover Regulations.

5.1.5 In the event of any further acquisition of Equity Shares of the Target Company by the Acquirers and PAC during the Offer Period, at a price higher than the Offer Price, the Offer Price will stand revised equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the Takeover Regulations. However, the Acquirers and PAC will not be acquiring any Equity Shares of the Target Company after the third Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

5.1.6 As per Regulation 8(10) of Takeover Regulations, if the Acquirers and PAC acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, they will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in 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 Takeover Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the

Stock Exchange, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

- 5.1.7 There have been no corporate actions by the Target Company warranting adjustment of the relevant price parameters under Regulation 8(9) of the Takeover Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls within 3 Working Days prior to the commencement of Tendering Period of the Offer.
- 5.1.8 As on date, there has been no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers and PAC shall comply with Regulations 18(4) and 18(5) of the Takeover Regulations and other applicable provisions of the Takeover Regulations.
- 5.1.9 In terms of Regulations 18(4) and 18(5) of the Takeover Regulations, the Offer Price or the Offer Shares may be revised at any time no later than 1 working day before the commencement of the Tendering Period. In the event of such revision, the Acquirers and PAC shall (i) make corresponding increase to the escrow amount, (ii) make public announcement in the same newspapers in which this DPS has been published, and (iii) simultaneously notify the BSE, SEBI and the Target Company at its registered office of such revision. Such revision would be done in compliance with applicable requirements prescribed under the Takeover Regulations.

## 5.2 Financial Arrangements

- 5.2.1 The total funding requirement for this Offer is INR 2,27,60,375 (Rupees Two Crores Twenty-Seven Lakhs Sixty Thousand Three Hundred Seventy-Five only), assuming full acceptance of this Offer (i.e. the Maximum Offer Consideration).
- 5.2.2 The Acquirers confirm that they have made firm financial arrangements for fulfilling its payment obligations under this Offer in terms of Regulation 25(1) of the Takeover Regulations and the Acquirers will be able to implement this Offer. O. Aggarwal & Co., Chartered Accountants, with Firm Registration Number 005755N and having its head office at H-3/11A, Krishna Nagar, Delhi – 110 051 by its certificate dated 06 June 2020, has certified that the Acquirers have made firm financial arrangements to meet their financial obligations under the Offer. The source of funds for the Acquirers is own funds.
- 5.2.3 In accordance with Regulation 17(1) read with Regulation 22 (2) of the Takeover Regulations, the Acquirers, Manager and Kotak Mahindra Bank Limited, a banking corporation incorporated under the laws of India, have entered into an escrow agreement for the purpose of the Offer (“Escrow Agreement”). Pursuant to the Escrow Agreement and in compliance with Regulation 17(1) of the Takeover Regulations, the Acquirers have opened an escrow account named “IM PLUS CAPITALS LTD ESCROW ACCOUNT” (the “Open Offer Escrow Account”) bearing account number 2814183603. The Acquirers have on 08 June 2020 and 09 June 2020 made a total cash deposit of a sum of INR 2,27,60,375 /- (Rupees Two Crore Twenty-Seven Lakhs Sixty Thousand Three Hundred Seventy Five) in the Open Offer Escrow Account (“Cash Escrow”) which is an equivalent to 100.00% of the value of the Maximum Consideration, as confirmed by Kotak Mahindra Bank Limited by way of letter dated 09 June 2020. The Manager is duly authorised by the Acquirers to realise the value of the Escrow Account and operate the Escrow Account in terms of the Takeover Regulations.
- 5.2.4 The Manager to the Offer has been fully authorised and empowered by the Acquirers to operate and realise the Escrow Amount lying to the credit of the Escrow Account in accordance with the Takeover Regulations.
- 5.2.5 Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfil its obligations in relation to this Offer through verifiable means in accordance with the Takeover Regulations.
- 5.2.6 In case of any upward revision in the Offer Price or the Offer Size, the Acquirer shall deposit additional funds in the Escrow Account as required under the Regulation 17(2) of the Takeover Regulations.

## **6. TERMS AND CONDITIONS OF THE OFFER**

### **6.1 Operational Terms and Conditions**

- 6.1.1 In terms of the Schedule of Activities, the Tendering Period for the Offer shall commence on 09 September 2020 and close on 22 September 2020 (both days inclusive).
- 6.1.2 This Offer is being made by the Acquirers and PAC to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer but who are not the registered Public Shareholders.
- 6.1.3 The Identified Date for this Open Offer as per the indicative schedule of major activities is 26 August 2020.
- 6.1.4 The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, all rights of dividends, bonuses or rights from now on and declared hereafter.
- 6.1.5 The instructions, authorizations and provisions contained in the Form of Acceptance-cum- Acknowledgment constitute an integral part of the terms and conditions of this Offer. The Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance-cum-Acknowledgement is also expected to be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and the Public Shareholders can also apply by downloading such forms from the website.
- 6.1.6 Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- 6.1.7 In terms of Regulation 18(9) of the Takeover 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.
- 6.1.8 Accidental omission to dispatch this LoF to any Public Shareholder to whom this Offer has been made or non-receipt of this Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way.
- 6.1.9 This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
- 6.1.10 The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1.
- 6.1.11 **Locked in Equity Shares:** The locked-in Equity Shares, if any, acquired pursuant to the agreement or offer can be transferred to the Acquirers, subject to the continuation of the residual lock-in period in the hands of the Acquirers. The Manager to the Offer ensures that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.
- 6.1.12 Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of closure of the Tendering Period

### **6.2 Eligibility for accepting the Offer**

- 6.2.1 The Offer is made to all the public shareholders (except parties to the Share Purchase Agreement) whose names appeared as beneficiaries on the records of the respective Depository Participants ("DP") at the close of the business hours on the Identified Date. The Letter of Offer shall be sent via electronic mail to all Public Shareholders.

- 6.2.2 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 in light of the FAQs dated July 02, 2020, Shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. The procedure for tendering to be followed by Public Shareholders holding Equity Shares in the physical form is detailed in paragraph 7.13 of Section 7 (Procedure for Acceptance and Settlement) below.
- 6.2.3 This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
- 6.2.4 All Public Shareholders who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period, are eligible to participate in this Offer.
- 6.2.5 The acceptance of this Offer by the Public Shareholders 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.
- 6.2.6 The acceptance of this Offer is entirely at the discretion of the Public Shareholders.
- 6.2.7 By accepting this Offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer or the Sellers for the purpose of this Offer.
- 6.2.8 The Acquirers, PAC, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of any documents during transit and the Public Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 6.2.9 The acceptance of Equity Shares tendered in this Offer will be made by the Acquirers in consultation with the Manager to the Offer.

### **6.3 Statutory Approvals:**

- 6.3.1 As on date, to the best of the knowledge and belief of the Acquirers and PAC, there are no statutory or other approvals required to complete the acquisition of the Equity Shares that are tendered pursuant to the Offer. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s) and the Acquirers and PAC shall make the necessary applications for such approvals.
- 6.3.2 All Public Shareholders, including non-resident holders of Equity Shares, must on its own obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted within the Tendering Period, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, 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 Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserve the right to reject such Offer Shares. The acquisition of the Equity Shares tendered by NRI and OCB are subject to approval/exemption, if applicable, from RBI.
- 6.3.3 In case of delay in receipt of any statutory approval that may be required by the Acquirers and PAC at a later date, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers and PAC to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the Takeover Regulations, grant an extension of time to the Acquirers to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirers and PAC 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.



- 6.3.4 In terms of Regulation 23(1) of the Takeover Regulations, in the event that the approvals which may become applicable prior to completion of the Offer are not received, the Acquirers and PAC shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirers and PAC (through the Manager to the Offer) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the Takeover Regulations.

## 7. **PROCEDURE FOR ACCEPTANCE AND SETTLEMENT**

Note: The Public Shareholders are requested to contact their Brokers and update, if necessary, their email Ids linked with their Demat Accounts.

- 7.1 The Offer will be implemented by the Acquirers through a Stock Exchange Mechanism made available by BSE Limited in the form of a separate window (“Acquisition Window”), as provided under the Takeover Regulations and SEBI Circular CIR/CFD/POLICYCELL/1/ 2015 dated April 13, 2015 read with SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 issued by SEBI and notices / guidelines issued by Designated Stock Exchange and the Clearing Corporation in relation to the mechanism / process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers as amended and updated from time to time.

- 7.2 BSE Ltd shall be the designated stock exchange (“Designated Stock Exchange”) for the purpose of tendering the Equity Shares in the Offer.

- 7.3 The Acquirers have appointed **Nikunj Stock Brokers Limited** (“**Buying Broker**”) as their broker for the Offer through whom the purchases and settlement of the Offer Shares tendered in the Offer will be made. The contact details of the Buying Broker are as mentioned below:

### **Nikunj Stock Brokers Limited**

A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007, India.

**Tel:** 011-47030015

**Email Id:** info@nikunjonline.com

**Contact Person:** Mr. Pramod Kumar Sultania

- 7.4 All the owners of Equity Shares, who desire to tender their Equity Shares under the Offer, would have to approach and intimate their respective stock brokers (“**Selling Broker(s)**”) during the normal trading hours of the secondary market, during the Tendering Period.

- 7.5 The Acquisition Window will be provided by the Designated Stock Exchange to facilitate placing of sell orders. The Selling Brokers can enter orders for physical and dematerialised Equity Shares. The cumulative quantity tendered shall be displayed on the Stock Exchanges’ website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.

- 7.6 The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer.

- 7.7 Modification/cancellation of orders will not be allowed during the tendering period of the Offer.

- 7.8 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.

- 7.9 The Equity Shareholders can tender their shares only through a broker with whom the shareholder is registered as KYC (Know Your Customer/Client) Compliant client. If an Equity Shareholder is not KYC Compliant then he/she shall provide necessary documents to his/her Stock Broker to become KYC Compliant. The requirement of documents and procedures may vary from broker to broker.

- 7.10 In the event Selling Broker of the shareholder is not registered with BSE then that shareholder can approach the Buying Broker and tender his/ her Equity Shares through the Buying Broker under the Offer.

## **7.11 Procedure for tendering Equity Shares held in dematerialised form:**

- 7.11.1 The Equity Shareholders who are holding the Equity Shares in electronic/ dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Stock Broker (“Selling Broker”) indicating details of Shares they wish to tender in the Offer.
- 7.11.2 The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Clearing Corporation. Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.
- 7.11.3 Shareholders will have to submit Delivery Instruction Slips (“DIS”) duly filled in specifying market type as “Open Offer” and execution date along with other details to their respective Stock Broker so that Equity Shares can be tendered in Offer.
- 7.11.4 For Custodian participant order for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer 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 the custodian again for confirmation.
- 7.11.5 Upon placing the bid, the Selling Broker(s) shall provide Transaction Registration Slip (“TRS”) generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.
- 7.11.6 In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Offer shall be deemed to have been accepted, for demat Shareholders.
- 7.11.7 The Equity Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated acceptance in the Offer.
- 7.11.8 The Equity Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance, unless required by their respective Selling Broker

## **7.12 Procedure for tendering Equity Shares held in Physical Form:**

As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI’s press release bearing no. 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. However, 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, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the Takeover Regulations.

The procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below:

- 7.12.1 Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out, including the (i) original share certificate(s), (ii) valid share transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Target Company, (iii) self -attested copy of the shareholder’s PAN Card (in case of joint holders, PAN card copy of all transferors, and (iv) 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. 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 Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar card, (ii) voter identity card; or (iii) passport.

7.12.2 Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of the Stock Exchanges. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip ("TRS") generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.

7.12.3 The Selling Broker / Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer i.e. Bigshare Services Private Limited (at the following address: 1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059) within 2 (two) days of bidding by the Selling Broker. The last date for receipt of documents by Registrar is the Offer Closing Date (by 5.00 p.m.(IST)). The envelope should be super scribed as "**IM+ Capitals Limited - Open Offer 2020**". 1 (one) copy of the TRS will be retained by the Registrar and it will provide acknowledgement of the same to the Selling Broker / Public Shareholder.

7.12.4 The 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 the Open Offer shall be subject to verification as per the Takeover Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, they will be treated as 'confirmed bids'.

7.12.5 In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

7.12.6 **The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance.**

#### **7.13 Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

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. Procedure for tendering the demat and physical shares will be same as mentioned above.

In case of non-receipt of the Letter of Offer, such Equity Shareholders of the Target Company may download the same from the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

#### **7.14 Acceptance of Shares:**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. 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 and PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, 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. The minimum marketable lot for the Equity Shares is one Equity Share.

## **7.15 Settlement Process:**

- 7.15.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the Stock Exchange to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- 7.15.2 For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders' bank account linked to their demat account. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 7.15.3 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 Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards.
- 7.15.4 For the Public Shareholder(s) holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Broker's settlement bank accounts for releasing the same to the respective Public Shareholder's account.
- 7.15.5 The Public 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 non –acceptance of the shares under the Offer.
- 7.15.6 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- 7.15.7 The direct credit of Equity Shares shall be given to the demat account of Acquirers as indicated by the Buying Broker.
- 7.15.8 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirers.
- 7.15.9 In case of partial or non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- 7.15.10 Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered post back to the Public Shareholder(s) directly by Registrar to the Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders'/ unregistered owners' sole risk to the sole / first Public Shareholder / unregistered owner. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form.
- 7.15.11 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 7.15.12 Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges

and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

- 7.15.13 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the Takeover Regulations.

## **8. COMPLIANCE WITH TAX REQUIREMENTS**

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. THE LEGISLATION, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE 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 EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE FACT THAT INCOME-TAX CONSEQUENCES ARE SPECIFIC TO FACTS OF THE CASE, EACH SHAREHOLDER IS REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS NOTE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS NOTE. THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER OFF THE RECOGNISED STOCK EXCHANGES IN INDIA, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

### **8.1 General:**

- 8.1.1** 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 worldwide income, subject to certain tax exemptions, which are provided under the Income-tax Act, 1961 ("IT Act"). 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 deemed to accrue or arise in India) as also income received by such persons 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, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- 8.1.2** 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.
- 8.1.3** Further, the non-resident shareholder can avail benefits of 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 non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under the IT Act.

**8.1.4** 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.

**8.1.5** The summary of income-tax implications on tendering of listed equity shares on the Recognised Stock Exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

**8.2 Classification of Shareholders:** Shareholders can be classified under the following categories:

**8.2.1** Resident Shareholders being:

- a. Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
- b. Others

**8.2.2** Non-Resident Shareholders being:

- a. Non-Resident Indians (NRIs)
- b. Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- c. Others:
  - i. Company
  - ii. Other than company

**8.3 Classification of Income:** Shares can be classified under the following two categories

**8.3.1** Shares held as investment (Income from transfer taxable under the head “**Capital Gains**”)

**8.3.2** Shares held as stock-in-trade (Income from transfer taxable under the head “**Profits and Gains from Business or Profession**”)

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 trading asset (i.e. stock-in-trade).

**8.4 Shares held as investment:** As per the provisions of the IT Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains in the hands of shareholders will be computed as per provisions of Section 48 of the IT Act.

**8.5 Period of holding:** Depending on the period for which the shares are held, the gains will be taxable as “**short-term capital gain**” or “**long-term capital gain**”:

**8.5.1** 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 therefrom should be taxable as “short term capital gains” (“**STCG**”).

**8.5.2** Similarly, where equity shares are held for a period more than 12 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 “long-term capital gains” (“**LTCG**”).

**8.6 Tendering of Shares in the Offer through a Recognized Stock Exchange in India:** Where a transaction for transfer of such equity shares (i.e. acceptance under an open offer) is transacted through a Recognized Stock Exchange and is chargeable to Securities Transaction Tax (“**STT**”), then the taxability will be as under (for all categories of shareholders):

**8.6.1** The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after 1 April 2018. Section 112A of the IT Act provides for taxation of income arising from the transfer of such shares, which is explained in the following paragraphs.

- 8.6.2 The gain accrued on such equity shares till 31 January 2018 has been exempted by providing that for the purpose of computing LTCG the cost of shares acquired before 1 February 2018 shall be the higher of the following:
- Actual cost of acquisition; or
  - Lower of: (A) fair market value, and (B) full value of consideration received or accruing as a result of the transfer of the shares.

Fair market value has been defined to mean the highest price of the equity share quoted on any recognized stock exchange on 31 January 2018.

- 8.6.3 After taking into account the exemption provided above, LTCG arising from transfer of equity shares, exceeding Rs. 100,000, will be taxable at 10% without allowing the benefit of indexation.

- 8.6.4 However, section 112A of the IT Act shall not apply if such equity shares were acquired on or after 1 October 2004 and securities transaction tax ('STT under Chapter VII of the Finance (No. 2) Act, 2004') was not paid. In this regard, the Central Government has issued a notification no. 60/2018/F. No. 370142/9/2017-TPL dated 1st October, 2018, providing certain situations wherein section 112A of the IT Act will continue to be applicable even if STT is not paid at the time of acquisition of equity shares. The notification provides for the following situations:

- Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on a recognised stock exchange of India, was made through a preferential issue, subject to certain exceptions;
- Where transaction for acquisition of existing listed equity share in a company was not entered through a recognised stock exchange of India, subject to certain exceptions;
- Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from a recognised stock exchange and ending on the date on which the company was again listed on a recognised stock exchange in accordance with the Securities Contracts (Regulation) Act, 1956 read with SEBI Act and any rules made there under.

The notification inter alia provides certain exceptions to the above situations where the provisions of Section 112A will not apply.

- 8.6.5 Where provisions of section 112A are not applicable, LTCG will be chargeable to tax at 20%. However, for a resident shareholder, an option is available to pay tax on such LTCG under section 112 at either 20% with indexation or 10% without indexation.

- 8.6.6 STCG arising from such transaction will be subject to tax @ 15% under Section 111A of the IT Act.

- 8.6.7 Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is required to be considered while computing tax on such LTCG or STCG taxable under Section 112, 112A or 111A of the IT Act. In addition to the above LTCG or STCG tax, applicable Surcharge, Health and Education Cess are leviable.

- 8.6.8 MAT implications will get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India and such foreign company does not have a permanent establishment in India in terms of the DTAA.

- 8.6.9 Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the IT Act.

- 8.7 **Shares held as Stock-in-Trade:** If the shares are held as stock-in-trade by any of the eligible shareholders of the Company, then the gains will be characterized as business income and taxable under the head "Profits and Gains from Business or Profession".

### 8.7.1 Resident Shareholders:

Profits of:

- a. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- b. Domestic company having turnover or gross receipts not exceeding Rs. 250 crore in the relevant financial year as prescribed will be taxable @ 25%.
- c. For persons other than stated in (a) and (b) above, profits will be taxable @ 30%.  
No benefit of indexation by virtue of period of holding will be available in any case.

### 8.7.2 Non Resident Shareholders

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

In addition to the above, applicable Surcharge, Health and Education Cess are leviable for Resident and Non Resident Shareholders.

## 8.8 Tax Deduction at Source

### 8.8.1 In case of Resident Shareholders

In absence of any specific provision under the IT Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the said offer.

### 8.8.2 In case of Non-resident Shareholders

- a. In case of FIIs: Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs.
- b. In case of other non-resident shareholders (other than FIIs) holding Equity Shares of the Target Company: Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident shareholders provide a specific mandate in this regard.

Since the Offer is through the stock exchange, the responsibility of discharging the tax due on the gains (if any) is primarily on the non-resident shareholder. The non-resident shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident shareholders must file their tax return in India inter-alia considering gains arising pursuant to this offer in consultation with their tax advisors.



The non-resident shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the non-resident shareholders pursuant to this offer. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds pursuant to this offer, copy of tax return filed in India, evidence of the tax paid etc.

## **8.9 Rate of Surcharge and Cess**

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

### **8.9.1 Surcharge**

- a. In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds Rs.10 crore and @ 7% where the total income exceeds Rs. 1 crore but less than Rs.10 crore.
- b. In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds Rs.10 crore and @ 2% where the total income exceeds Rs.1 crore but less than Rs.10 crore.
- c. In case of individuals, HUF, AOP, BOI: Surcharge @15% is leviable where the total income exceeds Rs. 1 crore and @10% where the total income exceeds Rs.50 lac but less than Rs.1 crore.
- d. In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs.1 crore.

### **8.9.2 Cess**

Health and Education Cess @ 4% is currently leviable in all cases.

**THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES.**

**THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.**

## **9. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection by the Public Shareholders at the office of the Manager to the Offer at Khambatta Securities Limited, C-42, basement, South Extension Part-2, New Delhi – 110 049, India, between 10:30 a.m. and 3:00 p.m. on any Working Day (except Saturdays, Sundays and public holidays) during the period from the date of commencement of the Tendering Period i.e. 09 September 2020 to closure i.e. 22 September 2020. During the tendering period Public Shareholders can also send email on [vinay@khambattasecurities.com](mailto:vinay@khambattasecurities.com) requesting the following documents for inspection.

- 9.1 Certified copies of the Memorandum and Articles of Association and certificate of incorporation Acquirer 3.
- 9.2 Certificates by M/s O. Aggarwal & Co., Chartered Accountants (FRN: 005755N) stating the net worth of Acquirer 1, Acquirer 2.
- 9.3 Certificate from M/s O. Aggarwal & Co., Chartered Accountants, (FRN: 005755N) certifying that the Acquirers have adequate and firm financial resources through verifiable means to fulfill their obligations under this Offer.
- 9.4 Certified copies of the annual reports of Acquirer 3 for the two financial years ending on March 31, 2018 and 2019 and certified financial results for the 12 month period ended March 31, 2020.

- 9.5 Copies of annual reports of Target Company for the financial years ending March 31, 2018 and 2019 and limited reviewed 12 month financial results for the period ended March 31, 2020.
- 9.6 Letter dated 09 June 2020 from the Escrow Agent confirming the receipt of the cash deposit in the Escrow Account.
- 9.7 Copy of Escrow Agreement between the Acquirers, the Manager and the Escrow Agent.
- 9.8 Copy of Share Purchase Agreement.
- 9.9 Copy of Public Announcement; Detailed Public Statement and Offer Opening Public Announcement.
- 9.10 Published copy of the recommendation to be made by the committee of the independent directors of the Target Company in relation to the Offer as required in terms of Regulation 26(7) of Takeover Regulations.
- 9.11 SEBI observations dated 25 August 2020 on the Draft Letter of Offer.

**10. DECLARATION BY THE ACQUIRERS AND THE PAC**

- 10.1 The Acquirers and PAC and their Board of Directors (where applicable) accept full responsibility, severally and jointly, for the obligations of the Acquirers and PAC as laid down in terms of the Takeover Regulations and for the information contained in the LoF with respect to the Acquirers and PAC. All the information pertaining to the Target Company has been obtained from publicly available sources and the accuracy thereof has not been independently verified by the Acquirers or the Manager to the Offer.
- 10.2 Each of the Acquirer and PAC shall be jointly and severally responsible for ensuring compliance with the Takeover Regulations.
- 10.3 The persons signing this Letter of Offer are duly and legally authorized by the Acquirers or the PACs, as applicable, to sign the Letter of Offer.

**For and on behalf of the Acquirers and PAC**

<b>Sd/- Rakesh Kumar Singhal (Acquirer 1)</b>	<b>Sd/- Vishal Singhal (Acquirer 2)</b>	<b>Sd/- Authorised Signatory Tirupati Containers Pvt Ltd (Acquirer 3)</b>
<b>Sd/- Kusum Singhal (PAC 1)</b>	<b>Sd/- Tanya Singhal (PAC 2)</b>	

Place: New Delhi  
Date: 02 September 2020

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*[Public Shareholders holding shares in demat mode are not required to fill the Form of Acceptance, unless required by their respective Selling Broker. The Public Shareholders holding physical shares (resident and non-resident) are required to send this Form of Acceptance along with the enclosures to the Registrar to the Offer, at its registered office address provided in the Letter of Offer]*

**IM+ CAPITALS LIMITED**

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

<b>TENDERING PERIOD FOR THIS OFFER</b>	
<b>OFFER OPENS ON</b>	<b>September 09 2020</b>
<b>OFFER CLOSSES ON</b>	<b>September 22 2020</b>

To,

**The Acquirer and the PACs**

C/o Bigshare Services Private Limited

Unit: IM+ Capitals Limited - Open Offer

1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana

Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059

Tel: +91-022-62638200

eMail: [openoffer@bigshareonline.com](mailto:openoffer@bigshareonline.com);

[investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Dear Sir,

**SUB: CASH OFFER OF INR 25 (INDIAN RUPEES TWENTY FIVE) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN) EACH (“EQUITY SHARES”), TO ACQUIRE UP TO 9,10,415 EQUITY SHARES REPRESENTING 26.00% OF THE TOTAL VOTING SHARE CAPITAL UNDER THE TAKEOVER REGULATIONS FROM THE PUBLIC SHAREHOLDERS OF IM+ CAPITALS LIMITED**

I / We refer to the Letter of Offer dated 02 September 2020 for acquiring the Equity Shares held by me / us in IM+ Capitals Limited.

I / We, the undersigned, have read the PA, the DPS, the LoF and the Offer Opening Public Announcement, and understood its contents, including the terms and conditions mentioned therein and unconditionally agree to such terms and conditions.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

**Details of Public Shareholder:**

<b>Name (in BLOCK LETTERS)</b>	<b>Holder</b>	<b>Name of the Shareholder(s)</b>	<b>Permanent Account Number (PAN)</b>
(Please write names of the joint holders in the same order as appearing in the demat account)	Sole/First		
	Second		
	Third		
<b>Contact Number(s) of the First Holder</b>	<b>Tel No. (with STD Code): Fax No. (with STD Code):</b>		<b>Mobile No:</b>
<b>Full Address of the First Holder (with pin code)</b>			
<b>Email address of First Holder</b>			
<b>Date and Place of incorporation (if applicable)</b>			

**FOR EQUITY SHARES HELD IN PHYSICAL MODE:**

I/We, confirm that our residential status under the Income Tax Act is as below (tick whichever is applicable)

Resident

Non-Resident

I / We, holding physical shares, accept this Offer and enclose the original share certificate(s) and duly signed transfer deed( s) in respect of my / our Equity Shares as detailed below along with enclosures as mentioned herein:

Sr. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		No. of Equity Shares
			From	To	
1					
2					
3					
(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)				<b>Total</b>	

**Enclosures** (whichever is applicable)

Duly attested power of attorney, if any person apart from the Public Shareholder, has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)

Original Equity Share certificate(s)

Valid Equity Share transfer deed(s)

Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorized signatories

Duly attested death certificate and succession certificate / probate / letter of administration (in case of single Shareholder), in case the original Shareholder has expired

Self-attested copy of PAN card of all the transferor(s)

Other relevant documents (please specify)

**FOR ALL PUBLIC SHAREHOLDERS**

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer are not locked-in and are free from pledges, liens, charges, equitable interests, non-disposal undertakings and any other form of encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares in this Offer and that I/we am/are legally entitled to tender the Equity Shares in this Offer.

I / We note and understand that the Equity Shares/ original share certificate(s) and the transfer deed(s) will be held by the Registrar to the Offer/ Clearing Corporation in trust for me / us till the date the Acquirers and the PACs make payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer deed(s) and other documents are dispatched to the Public Shareholders, as the case may be.

I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We agree that the Acquirers and PACs will pay the consideration as per secondary market mechanism only after verification of the documents and signatures, as applicable submitted along with this Form of Acceptance. I / We undertake to return to the Acquirers and PACs any Open Offer consideration that may be wrongfully received by me / us.

I / We confirm that I am / we are not persons acting in concert with the Acquirers and/or the PACs.

I / We give my/our consent to the Acquirers and PACs to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirers and PACs to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I am / We are not debarred from dealing in shares or securities, including Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act including but not limited to Section 281 of the Income Tax Act.

I / We note and understand that the Equity Shares will be held by the Clearing Corporation in trust for me / us till the date the Acquirers and/or PACs make payment of consideration as mentioned in the Letter of Offer and other documents are dispatched to the Shareholders, as the case may be. I / We further authorize the Acquirers and the PACs to return to me / us, share certificate(s) in respect of which this Offer is not found valid / not accepted, without specifying the reasons thereof.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Offer Shares, I / we will indemnify the Acquirers and PACs for such income tax demand (including interest, penalty, etc.) and provide the Acquirers & PACs with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the Equity Shares would be kept in the pool account of my / our Selling Broker and the lien will be marked by Clearing Corporation until the settlement date whereby Acquirers & PACs makes payment of purchase consideration as mentioned in the Letter of Offer.

I / We authorise the Acquirers & PACs to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirers & PACs may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / We further authorize the Acquirers & PACs to return to me / us, Equity Shares in respect of which this Offer is not found valid / not accepted, without specifying the reasons thereof.

I/We, confirm that my/ our residential status is (“”whichever is applicable):

<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FII/FPI - Corporate	<input type="checkbox"/> FII/FPI - Others	<input type="checkbox"/> Indian Company
<input type="checkbox"/> Indian Trust	<input type="checkbox"/> FVCI	<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Private Equity Fund	<input type="checkbox"/> Pension/Provident Fund
<input type="checkbox"/> Sovereign Wealth Fund	<input type="checkbox"/> Partnership/ Proprietorship firm	<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs/PIOs-repatriable	<input type="checkbox"/> NRIs/PIOs - non-repatriable
<input type="checkbox"/> OCB	<input type="checkbox"/> QFI	<input type="checkbox"/> Others - please Specify:		

**FOR NRIs/ OCBs/ FPIs AND SUB-ACCOUNTS / OTHER NON-RESIDENT SHAREHOLDERS**

I/We confirm that my/our investment status is (and “” whichever is applicable):

- FDI Route
- PIS Route
- Any other-please specify

I/We confirm that the Equity Shares tendered by me/us are held on (whichever is applicable):

- Repatriable basis
- Non-repatriable basis

I/We confirm that ( “” whichever is applicable):

- No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI
- Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith
- Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith I/We confirm that (“” whichever is applicable):
- No RBI or other regulatory approval is required by me for tendering the Equity Shares in this Offer
- Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith additional confirmations and enclosures for all Public Shareholders, as applicable

**I/We have enclosed the following documents ( “☐” whichever is applicable):**

- Self-attested copy of PAN card
- Self-declaration form in Form 15 G / Form 15 H, in duplicate copy
- Duly attested power of attorney if any person apart from the Public Shareholder has signed the Form-of-Acceptance-cum-Acknowledgement
- Corporate authorization, in case of Companies along with certified copy of the Board Resolution and Specimen Signatures of Authorised Signatories
- Declaration that the investment in the Equity Shares is in accordance with the applicable SEBI regulations (mandatory to be submitted by FIIs/FPIs)
- SEBI Registration Certificate for FIIs / FPIs (mandatory to be submitted by FIIs/FPIs).
- For Mutual funds / Banks / Notified Institutions under Section 194A(3)(iii) of the Income Tax Act, copy of relevant registration or notification
- ‘Valid Tax Residency Certificate’ issued by the income tax authority of a foreign country of which he / it claims to be a tax resident, in case the Public Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Public Shareholder claims to be resident and a duly filled in ‘Form 10F’ as prescribed under the Income Tax Act. Such other information and documentation as may be required depending upon specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India.

**BANK DETAILS**

For Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

In case of interest payments, if any, by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.

Yours faithfully,

Signed and Delivered:	Full Name	PAN	Signature
<b>First / Sole Holder</b>			
<b>Joint Holder 1</b>			
<b>Joint Holder 2</b>			
<b>Joint Holder 3</b>			

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place:

Date:

-----Tear here-----

**Acknowledgement Receipt – IM+ Capitals Limited - Open Offer**

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

**Address:** \_\_\_\_\_

Form of Acceptance-cum-Acknowledgement for IM+ Capitals Limited - Open Offer as per details below:

Copy of delivery instruction to depository participant of Client ID/Folio No. \_\_\_\_\_ for \_\_\_\_\_ Equity Shares

Date of Receipt:

Place of Receipt:

Stamp of collection centre:

Signature of Official:

## INSTRUCTIONS

**PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS, THE PACs, THE TARGET COMPANY OR THE MANAGER TO THE OFFER**

1. This Form must be legible and should be filled in English only.
  2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
  3. Eligible Public Shareholders who desire to tender their Equity Shares in the dematerialized form under the Open Offer would have to do so through their respective Selling Broker by indicating the details of Equity Shares they intend to tender under the Open Offer.
  4. **As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release bearing no. 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. However, 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, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations.**
  5. The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach the and submit the following set of documents for verification procedure as mentioned below:
    - a) Original share certificate(s)
    - b) Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
    - c) Self-attested copy of the Public Shareholder's PAN Card (in case of joint holders, the PAN card copy of all transferors).
    - d) This Form - for Public Shareholders holding Equity Shares in physical mode, duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
    - e) A self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license.
    - f) Any other relevant document including (but not limited to) such as power of attorney, corporate authorization (including board resolution(s)/ specimen signature(s)), notarised copy/(ies) of death certificate(s) and succession certificate(s) or probated will(s), if the original shareholder is deceased, etc., as applicable.
- Public Shareholders holding physical shares should note that such Equity Shares will not be accepted unless the complete set of documents is submitted.**
6. In case of unregistered owners of Equity Shares in physical mode, the Public Shareholder should provide an additional valid share transfer deed(s) duly signed by the unregistered owner as transferor(s) by the sole/joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer deed should be left blank, except for the signatures and witness details. **PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED.**
  7. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to issue the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.
  8. In case the share certificate(s) and the transfer deed(s) are lodged with the Target Company/ its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement with, or receipt by, the Target Company / its transfer agents, of the share certificate(s) and the transfer deed(s).
  9. The Public Shareholder should ensure that the certificate(s) and above documents should be sent only to the Registrar to the Offer either by registered post or courier or hand delivery so as to reach the Registrar to the Offer: i.e. Bigshare Services Private Limited on or before the date of closure of the Tendering Period, at the following address: 1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059, India.
  10. The Selling Broker should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. The TRS will contain the details of order submitted including Folio No., Certificate No. Dist. Nos., number of Equity Shares, etc.

11. In case of Equity Shares held in joint names, names should be filled in the same order in this form as the order in which they hold the Equity Shares and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
12. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
13. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Offer Shares in respect of which the acceptance is being sent.
14. All documents/remittances sent by or to the Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.
15. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.

16. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the LoF in Para 7 (Procedure for Acceptance and Settlement).

The Letter of Offer along with the Form of Acceptance is being dispatched/ sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the Target Company. In case of non-receipt of the Letter of Offer, the Public Shareholders of the Target Company may download the same from the website of any of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), the Target Company ([www.imcapitals.com](http://www.imcapitals.com)), the Registrar to the Offer ([www.bigshareonline.com](http://www.bigshareonline.com)), the Manager ([www.khambattasecurities.com](http://www.khambattasecurities.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)).

Such Public Shareholders may also obtain an electronic copy of the Letter of Offer along with Form of Acceptance-cum-Acknowledgement from the Registrar to the Offer (Address: 1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059, India; Contact Person: Mr. Arvind Tandel; eMail: [openoffer@bigshareonline.com](mailto:openoffer@bigshareonline.com); [investor@bigshareonline.com](mailto:investor@bigshareonline.com)) or the Manager (Address: C-42, South Extension Part-II, New Delhi- 110049, India; Contact Person: Mr. Vinay Pareek; eMail: [vinay@khambattasecurities.com](mailto:vinay@khambattasecurities.com) ), on providing suitable documentary evidence of holding the Equity Shares of the Target Company.

17. The Form of Acceptance or TRS is not required to be submitted to the Acquirer, the PACs, the Manager or the Registrar to the Offer. Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgment, unless required by their respective Selling Broker. Equity Shares under lock-in will be required to fill the respective Forms of Acceptance-cum-Acknowledgment.
18. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Offer shall be deemed to have been accepted for the eligible Public Shareholders holding Equity Shares in demat form.
19. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.
20. All the Public Shareholders are advised to refer Para 8 (Compliance with Tax Requirements) in the Letter of Offer in relation to important disclosures regarding the taxes to be deducted on the consideration to be received by them.
21. If non-resident Public Shareholders had required any approval from the RBI or any other regulatory body in respect of the Offer Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Offer Shares, to tender the Offer Shares held by them pursuant to this Open Offer. Further, non-resident Public Shareholders must obtain all approvals required, if any, to tender the Offer Shares in this Open Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the LOF, and provide such other consents, documents and confirmations as may be required to enable the Acquirer to purchase the Offer Shares so tendered. In the event any such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares tendered in this Open Offer. If the Offer Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Offer Shares are held under general permission and whether they are held on repatriable basis or non-repatriable basis.
22. If the resident and non-resident Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

**For resident Public Shareholders:**

- Self-attested copy of PAN card
- Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to



payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)

Self-declaration in Form 15G / Form 15H (in duplicate), if applicable

For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

**For non-resident Public Shareholders:**

Self-attested copy of PAN card

Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)

Tax Residency Certificate and a no 'permanent establishment' / business connection declaration

In an event of non-submission of NOC or certificate for deduction of tax at nil / lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirers or the PACs.

**FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OFFER, PLEASE REFER TO THE LETTER OF OFFER**

**All future correspondence, if any, should be addressed to Registrar to the Offer at the following address:**



**Bigshare Services Private Limited**

1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marolnaka, Andheri East, Mumbai, Maharashtra- 400059

**Tel:**+91-022-62638200; **Fax:** +91-022-62638280;

**eMail:** [openoffer@bigshareonline.com](mailto:openoffer@bigshareonline.com);;[investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:**-[www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Mr. Arvind Tandel

**SEBI Reg. No.:** INR 000001385