

## DETAILED PUBLIC STATEMENT

IN TERMS OF REGULATIONS 13(4) AND 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 TO THE EQUITY SHAREHOLDERS OF

**M. B. PARIKH FINSTOCKS LIMITED**

Registered Office: 705, Galav Chambers, Sayajigunj, Baroda, Vadodara, Gujarat- 390005, India; Tel: +91 265 2362909; Fax: NA; Email: corporate@mbpfm.com; Website: www.mbpfm.com; Corporate Identification Number: L65910GJ1994PLC021759

**OPEN OFFER ("OFFER") FOR ACQUISITION OF UP TO 7,80,000 (SEVEN LAKHS EIGHTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES"), REPRESENTING UPTO 26% OF THE TOTAL VOTING SHARE CAPITAL OF M. B. PARIKH FINSTOCKS LIMITED ("TARGET COMPANY") ON A FULLY DILUTED BASIS, AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OFFER ("TOTAL VOTING SHARE CAPITAL") (DEFINED BELOW), FROM THE PUBLIC SHAREHOLDERS (DEFINED BELOW) OF THE TARGET COMPANY FOR CASH AT OFFER PRICE (DEFINED BELOW) BY MR. DENIS DESAI ("ACQUIRER").**

**THIS DETAILED PUBLIC STATEMENT ("DPS") IS BEING ISSUED BY SAFFRON CAPITAL ADVISORS PRIVATE LIMITED, THE MANAGER TO THE OFFER ("MANAGER"), FOR AND ON BEHALF OF THE ACQUIRER IN COMPLIANCE WITH REGULATION 13(4) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AND SUBSEQUENT AMENDMENTS THERETO, ("TAKEOVER REGULATIONS"), PURSUANT TO THE PUBLIC ANNOUNCEMENT ("PA") FILED WITH BSE LIMITED ("BSE") ("STOCK EXCHANGE") ON DECEMBER 16, 2019, IN TERMS OF REGULATIONS 3(1) AND 4 OF THE TAKEOVER REGULATIONS. THE PA WAS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") AND SENT TO THE TARGET COMPANY ON DECEMBER 17, 2019 BY WAY OF LETTERS DATED DECEMBER 16, 2019, IN TERMS OF REGULATION 14(2) OF THE TAKEOVER REGULATIONS.**

**For the purposes of this DPS, the following terms have the meanings assigned to them below:**

- "Total Voting Share Capital"** means the total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10<sup>th</sup> (Tenth) Working Day from the closure of the Tendering Period for this Offer.
- "Identified Date"** means the date falling on the 10<sup>th</sup> (Tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Public Shareholders to whom the letter of offer in relation to this Offer ("Letter of Offer") shall be sent.
- "Public Shareholders"** shall mean all the public shareholders of the Target Company, other than (i) the Acquirer, (ii) the parties to the SPA (defined below) for the sale of equity shares of the Target Company and (iii) persons deemed to be acting in concert with parties at (i) and (ii) above, in compliance with the provisions of Regulation 7(6) of the Takeover Regulations.
- "Sellers"** shall mean, all the members of the promoter and promoter group of the Target Company, namely, Mr. Digant Parikh, Mrs. Monalisa Parikh, Mrs. Sudhaben Kapadia and Parikh Shares and Stocks Pvt. Ltd.
- "Tendering Period"** has the meaning ascribed to it under the Takeover Regulations.
- "Working Day"** means any working day of the Securities and Exchange Board of India ("SEBI").

**I. ACQUIRER, SELLERS, TARGET COMPANY AND OFFER****1. INFORMATION ABOUT THE ACQUIRER****A. MR. DENIS DESAI ("Acquirer")**

- Mr. Denis Desai, aged 39 years, S/o Mr. Bhupendra Desai, is residing at 3402, 34<sup>th</sup> Floor, Raheja Odyssey, Raheja Reflections -2, Off Western Express Highway, Village Magathane, Borivali (East), Mumbai- 400066, Maharashtra, India; Tel: +91 9819062464; Email: denisedesai@gmail.com.
- Acquirer has completed his Masters of Management Studies from University of Mumbai in the year 2004. He has an overall experience of more than 13 years as a Strategic Advisor in the field of Real Estate and Education.
- Acquirer doesn't belong to any group.
- Acquirer is holding a Permanent Account Number- AGRPD9017H.

(d) The details of the ventures promoted/controlled/managed by the Acquirer is given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage stake/holding
1	Arudha Traders Private Limited	Director & Shareholder	50.00
2	Arunis Sidhant Realties Private Limited	Director & Shareholder	50.00
3	Arunis Financial and Management Consultant Private Limited	Director & Shareholder	50.00
4	Nirmala Memorial Educations	Director & Shareholder	50.00

(Source: www.mca.gov.in).

- Except as mentioned under point (e) above, Acquirer confirms that he does not hold directorships in any other company, including a listed company.
- Acquirer hereby undertakes and confirms that the entities mentioned under point (e) above are not participating or interested or acting in concert in this Offer.
- Acquirer hereby undertakes and confirms that the entities mentioned in point (e) above are not appearing in the willful defaulters list of Reserve Bank of India and are not debarred by SEBI from accessing capital markets as on date.
- The Net worth of Acquirer as on November 15, 2019 is ₹ 5,91,08,334 (Rupees Five Crore Ninety One Lakhs Eight Thousand Three Hundred and Thirty Four only) and the same is certified by Mr. Ashwin Jain, Partner of Sanjay & Vijay Associates, Chartered Accountants (Membership No. 145156); FRN No. 120123W having office at 23, Kesar Building, 2<sup>nd</sup> Floor, Opp. Geeta Bhawan Hotel, 201/211, Princess Street, Marine Lines, Mumbai-400002; Email id: ashwin@cavijay.in, vide certificate dated December 07, 2019, bearing Unique Document Identification Number (UDIN) 19145156AAAFT8614.
- Acquirer confirms that he has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
- Acquirer undertakes not to sell the Equity Shares of the Target Company held by him during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
- There are no Persons Acting in Concert ("PAC") along with Acquirer in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the Takeover Regulations.
- Acquirer has confirmed that currently there are no pending litigations pertaining to securities market where he is made party to.
- Acquirer has confirmed that he is not related to the Promoters, Directors or key employees of the Target Company in any manner.
- Acquirer has confirmed that he is not categorized as a "willful defaulter" in terms of Regulation 2(1)(ze) of the Takeover Regulations.
- Acquirer does not hold any Equity Shares of the Target Company as on the date of this DPS.
- He has signed a Share Purchase Agreement ("SPA") dated December 16, 2019 with the Sellers to acquire 20,34,968 Equity Shares constituting 67.83% of the Total Voting Share Capital of the Target Company.
- Acquirer has not entered into any non-compete arrangement and/or agreement with the Sellers.
- Acquirer has confirmed that he has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

**2. INFORMATION ABOUT THE SELLERS**

Sr. No.	Name, PAN and Address of the Sellers	Whether part of Promoter and Promoter Group	Details of shares/voting rights held by the Sellers			
			Pre Transaction		Post Transaction	
			Number	%	Number	%
Seller 1	Mr. Digant Parikh PAN: AAFPP7379G Address: Flat No: 602, Phalguni, Sarojini Road, Santacruz West, Mumbai- 400054, Maharashtra.		17,86,158	59.54		
Seller 2	Mrs. Monalisa Parikh PAN: ACYPP2909H Address: Flat No: 602, Phalguni, Sarojini Road, Santacruz West, Mumbai- 400054, Maharashtra	Yes	2,48,010	8.27		
Seller 3	Mrs. Sudhaben Kapadia PAN: AQZPK2907M Address: A-9, Aishwarya Bunglows, Near Reva Park Garden, Waghodia Road, Vadodara- 390019, Gujarat.		600	0.02		
Seller 4	Parikh Shares and Stocks Pvt. Ltd. PAN: AACCP1820A Registered Office: 705, Galav Chambers, Sayajigunj, Baroda, Gujarat- 390005, India		200	0.01		
<b>Total</b>			<b>20,34,968</b>	<b>67.83</b>		

- Accordingly, upon the completion of the sale and purchase of the Sale Shares (as defined below) under the SPA, Sellers will not hold any Equity Shares in the Target Company and shall cease to be the Promoters of Target Company and relinquish the management control of the Target Company in favor of the Acquirer. The Acquirer will acquire control of the Target Company, and be classified as the new promoter in accordance with the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations").
- Sellers confirm that they have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act, 1992.
- Seller 4 is a Private Limited Company and is not listed on any recognized stock exchange. There has been no change in the name of Seller 4.

**3. INFORMATION ABOUT THE TARGET COMPANY****M. B. Parikh Finstocks Limited ("Target Company")**

- The Target Company was originally incorporated as "M. B. Parikh Finstocks Private Limited" as a private company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated April 08, 1994 issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, the name of the Target Company was changed to "M. B. Parikh Finstocks Limited" vide a name change certificate dated October 26, 1994 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The registered office of the Target Company is situated at 705, Galav Chambers, Sayajigunj, Baroda, Vadodara, Gujarat- 390005, India; Tel: +91 265 2362909; Email: corporate@mbpfm.com; Website: www.mbpfm.com.
- Corporate Identification Number of the Target Company is L65910GJ1994PLC021759. (Source: www.mca.gov.in).
- Target Company made its maiden public issue in the year 1995 pursuant to which its Equity Shares were listed on BSE Limited ("BSE") w.e.f. May 03, 1995, Ahmedabad Stock Exchange Limited ("ASE") w.e.f. April 25, 1995 and Vadodara Stock Exchange Limited ("VSE") w.e.f. April 20, 1995. Upon exit of ASE and VSE, the Equity Shares of the Target Company remained listed only on BSE having Scrip Code: 526935 and Symbol: MBPARIKH.
- The ISIN of Equity Shares of Target Company is INE377D01018. (Source: www.bseindia.com)
- There has been no change in the name of the Target Company during the last three years.
- The total authorized share capital of the Target Company is ₹ 7,50,00,000 comprising of 75,00,000 Equity Shares of face value of ₹ 10 each. The issued, subscribed and paid up capital of the Target Company is ₹ 3,00,00,000 comprising of 30,00,000 Equity Shares of face value of ₹ 10 each.
- The Target Company was engaged in the business of stock broking business and was a member of National Stock Exchange of India Ltd ("NSE") in equity segment and derivative segment, however the Target Company has surrendered its membership for all segments in the year 2017. Presently there is no business activity in the Target Company.
- As on the date of this DPS, there are no outstanding partly paid up shares of the Target Company.
- The Equity Shares of the Target Company are infrequently traded on BSE. (Source: www.bseindia.com).
- Target Company has paid listing fees to BSE for the financial year 2019-20.
- Target Company confirmed that the trading in the Equity Shares of the Target Company was never suspended on BSE.
- As on the date of the DPS, the Board of Directors of the Target Company consists of Mr. Lalit Dalal (Non - Executive - Independent Director having DIN: 00013914), Mr. Govind Rathi (Non - Executive - Independent Director having DIN: 00288705), Mrs. Monalisa Parikh (Chairperson and Managing Director having DIN: 00294485) and Mr. Jitendra Sharma (Non - Executive - Independent Director having DIN: 02640342).

3.13 The brief audited financial information of the Target Company for the financial years ended March 2017, 2018, 2019 and unaudited financials for the six months period ended September 30, 2019 are as under:

Particulars	For the year ended March 31,			
	September 30, 2019	2019	2018	2017
Total Revenue (Revenue from Operations + Other Income)	11.12	43.52	147.97	97.82
Profit/(Loss) After Tax	3.71	(17.60)	54.06	20.49
Earnings Per Share (₹)	0.12	(0.53)	1.75	0.68
Shareholders Fund / Net worth	510.24	510.91	526.78	474.17

(Source: www.bseindia.com)

3.14 None of the directors of the Target Company represents the Acquirer as on the date of this DPS.

**4. DETAILS OF THE OFFER**

- Acquirer is making this Offer to all the Public Shareholders of the Target Company to acquire up to **7,80,000** Equity Shares of face value ₹ 10/- (Rupees Ten only) each, representing **26%** of the Total Voting Share Capital of the Target Company.
- This Offer is being made at a price of ₹ **15/-** (Rupees Fifteen only) (the "**Offer Price**") per fully paid up Equity Share of face value ₹ 10/- (Rupees Ten only) each of the Target Company, payable in cash in accordance with Regulation 9(1)(a) of the Takeover Regulations.
- This Offer is not conditional on any minimum level of acceptance and is not a competing offer in terms of Regulations 19 and 20 respectively of the Takeover Regulations.
- The Equity Shares of the Target Company will be acquired by the Acquirer as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- The consummation of the sale and purchase of the Sale Shares (as defined below) by the Acquirer, as envisaged under the SPA, is subject to the terms and conditions mentioned therein.
- The Manager does not hold any Equity Shares in the Target Company as on the date of DPS. The Manager to the Offer further declares and undertakes that it shall not deal in the Equity Shares of the Target Company during the period commencing from the date of its appointment as Manager till the expiry of 15 days from the date of closure of this Offer.
- The Acquirer does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25 (2) of Takeover Regulations.
- The acquisition of 26% of the Total Voting Share Capital under this Offer will result in the public shareholding in the Target Company falling below the level required for continuous listing. To the extent the post-Offer holding of the Acquirer in the Target Company exceeds the maximum permissible non-public shareholding under Securities Contract (Regulation) Rules, 1957, and subsequent amendments thereto (the "SCRR"), the Acquirer undertakes to reduce his shareholding to the level stipulated in the SCRR within the time and in the manner specified in the SCRR and the SEBI (LODR) Regulations.

**II. BACKGROUND TO THE OFFER**

- On December 16, 2019, the Acquirer entered into Share Purchase Agreement ("SPA") with the Sellers for acquisition of up to 20,34,968 Equity Shares ("**Sale Shares**") representing 67.83% of the Total Voting Share Capital at a price of ₹ 15/- (Rupees Fifteen Only) per Sale Share payable in cash aggregating up to **₹ 3,05,24,520** (Rupees Three Crore Five Lakhs Twenty Four Thousand Five Hundred Twenty Only). The purchase of the Sale Shares under the SPA is referred to as the "**Transaction**".
- Upon completion of Transaction under the SPA and relinquishment of control by the Promoter and Promoter Group of the Target Company, the Acquirer will acquire management control of the Target Company.
- The important clauses including some of the conditions precedent to consummating the underlying Transaction, as mentioned in the SPA are as follows:**
  - The Acquirer intends to buy from the Sellers and the Sellers intends to sell to the Acquirer 20,34,968 (Twenty Lakhs Thirty Four Thousand Nine Hundred Sixty Eight) fully paid-up Equity Shares constituting 67.83% of the total Voting Share Capital of the Target Company for an aggregate sale consideration of ₹ 3,05,24,520 (Rupees Three Crore Five Lakhs Twenty Four Thousand Five Hundred Twenty Only) ("**SPA Consideration**") through an off-market transaction;
  - The Sellers confirm that the Sale Shares are fully paid up and the said shares are free from all liens, charges, encumbrances and the Sellers shall hand over the said confirmation letter to the Acquirer along with the letter received from the Target Company.
  - The Sellers confirm that the Sale Shares are not under lock-in and the Sellers shall hand over the said confirmation letter to the Acquirer along with the letter received from the Target Company.
  - From the date of entering into this Agreement till the date of the Closing, the Sellers shall not, except with the prior consent of the Acquirer, sell, transfer, gift, exchange or dispose of or in any way deal in the equity shares of the Target Company or create any right, interest or encumbrance over the Sale Shares.
  - On Closing (as defined in SPA), the Parties shall take all steps necessary for fulfilling their respective obligations under the SPA and for Closing of the transaction envisaged in the SPA.
- The objective of the proposed acquisition is substantial acquisition of Equity Shares/ voting rights accompanied by control over the Management of the Target Company. Further, the Acquirer continues the same business activities of the Target Company, he shall hire people with necessary industry acumen and conduct business.

**III. SHAREHOLDING AND ACQUISITION DETAILS**

The current and proposed equity shareholding of the Acquirer in the Target Company and the details of the acquisition are as follows:

Details	Acquirer	
	Number of Equity Shares	% to the Total Voting Share Capital
Shareholding as on the PA date:	NIL	
Shareholding after completion of acquisition of Equity Shares under SPA requiring an Offer to be made in accordance with Takeover Regulations	20,34,968	67.83
Equity Shares acquired between the PA date and the DPS date	NIL	
Equity Shares proposed to be acquired in the Offer (assuming full acceptance)	7,80,000	26.00
<b>Post Offer Shareholding (On diluted basis on 10<sup>th</sup> working day after closing of Tendering Period)</b>	<b>28,14,968</b>	<b>*93.83</b>

\* To the extent the post-Offer holding of the Acquirer in the Target Company exceeds the maximum permissible non-public shareholding under Securities Contract (Regulation) Rules, 1957, and subsequent amendments thereto (the "SCRR"), the Acquirer undertakes to reduce his shareholding to the level stipulated in the SCRR within the time and in the manner specified in the SCRR and the SEBI (LODR) Regulations.

**IV. OFFER PRICE**

- The Equity Shares of the Target Company are listed on BSE only.
- The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the twelve calendar months prior to the month of PA (December 01, 2018 to November 30, 2019) is as given below:

Stock Exchange	Total no. of Equity Shares traded during the twelve calendar months prior to the month of PA	Total no. of listed Equity Shares	Annualized trading turnover (as % of Equity Shares listed)
BSE	24,306	30,00,000	0.81%

(Source: www.bseindia.com)

- Based on the information provided in point above, the Equity Shares of the Target Company are **infrequently traded** on the BSE in terms of the Takeover Regulations.
- The Offer Price of ₹ **15/-** (Rupees Fifteen only) per Equity Share is justified in terms of regulation 8 of the Takeover Regulations, **being the highest of the following:**

a) Highest negotiated price per share for acquisition under the agreement attracting the obligations to make a public announcement for the offer;	₹ 15/-
b) The volume-weighted average price paid or payable for acquisition(s), whether by the Acquirer or by any person(s) acting in concert, during the fifty two weeks immediately preceding the date of public announcement;	Not Applicable
c) The highest price paid or payable for any acquisition, whether by the Acquirer or by any person(s) acting in concert, during the twenty six weeks immediately preceding the date of the Public Announcement	Not Applicable
d) The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period.	Not Applicable
e) Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters per Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares	₹ 13.96
<b>Other Financial Parameters as at March 31, 2019</b>	
<b>Return on Net worth (%)</b>	(0.03)
<b>Book Value per share (₹)</b>	17.03
<b>Earnings per share- Diluted (₹)</b>	(0.53)
f) the per share value computed under sub-regulation (5) of Regulation 8 of Takeover Regulations, if applicable	Not Applicable

# Mr. Rajesh Shah, Proprietor of S R R & Co., Chartered Accountants (Membership No. 104961), Firm Registration No. 119254W, having office at 102 Sai Astha, 29, Ashok Nagar, Cross Road No.1 Kandivali (East), Mumbai - 400101; Email id: ca.rshah@gmail.com, vide certificate dated December 13, 2019, bearing Unique Document Identification Number (UDIN) 19104961AAAAC1609 has certified that he has in terms of Supreme Court decision in the case of Hindustan Lever Employee Union Vs. Hindustan Lever Limited (1995) (83 Companies Cases 30), considered different methods for the purpose of arriving at the fair value for the Equity Shares of the Target Company. A weight of 70% has been assigned to the value arrived under Net Asset Method, weight of 15% has been assigned to the value arrived under Earnings Capitalization Method and a weight of 15% has been assigned to the value arrived under the Market Price Method. As per the certification given, the Fair Value has been arrived at ₹ 13.96/- per Equity Share.

- In view of the above parameters considered and in the opinion of the Acquirer and Manager, the Offer Price of ₹ 15/- per Equity Share is justified in terms of regulation 8 of the Takeover Regulations.
- There have been no corporate actions undertaken by the Target Company warranting adjustment of any of the relevant price parameters.
- There has been no revision in the Offer Price or to the size of this Offer as on the date of this DPS.
- An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last one working day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the Takeover Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increase to the escrow amount, as more particularly set out in paragraph 7 of the DPS; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

**V. FINANCIAL ARRANGEMENTS**

- Assuming full acceptance in the Offer, the total funds required to meet this Offer is ₹ 1,17,00,000 (Rupees One Crore Seventeen Lakhs only).
- Acquirer has adequate resources to meet its financial obligations for the Offer. The Net worth of Acquirer as on November 15, 2019 is ₹ 5,91,08,334 (Rupees Five Crore Ninety One Lakhs Eight Thousand Three Hundred and Thirty Four only) and the same is certified by Mr. Ashwin Jain, Partner of Sanjay & Vijay Associates, Chartered Accountants (Membership No. 145156; FRN No. 120123W having office at 23, Kesar Building, 2<sup>nd</sup> Floor, Opp. Geeta Bhawan Hotel, 201/211, Princess Street, Marine Lines, Mumbai-400002; Email id: ashwin@cavijay.in, vide certificate dated December 07, 2019, bearing Unique Document Identification Number (UDIN) 19145156AAAFT8614.
- In accordance with the provisions of Regulation 17(1) of the Takeover Regulations, the Acquirer has opened an Escrow Account in the name and style of "M B PARIKH FINSTOCKS OPEN OFFER - ESCROW ACCOUNT" with ICICI Bank Limited ("Escrow Bank"), a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara-390007, Gujarat, India and acting for the purpose of this agreement through its branch situated at ICICI Bank Limited, Capital Markets Division, 1<sup>st</sup> Floor, 122, Mistry Bhavan, Dinswaha Yachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020 and have made a cash deposit of ₹ 1,17,00,000 (Rupees One Crore Seventeen Lakhs only) in the Escrow Account. The cash deposited in Escrow Account represents 100% of the total consideration payable to the Equity Shareholders under this Offer. Escrow Bank vide email dated December 16, 2019 has confirmed the credit balance of ₹ 1,17,00,000 (Rupees One Crore Seventeen Lakhs only). The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of Regulation 17 of the Takeover Regulations.
- In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow Account shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirer, prior to effecting such revision, in terms of Regulation 17(2) of the Takeover Regulations.
- The funds required in relation to the Offer have been met from the own funds of the Acquirer.
- Based on the above, Saffron Capital Advisors Private Limited, Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to implement the offer in full accordance with the Takeover Regulations.

**VI. STATUTORY AND OTHER APPROVALS**

- As of the date of this DPS, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. However, in case of any such statutory approvals are required by the Acquirer at a later date before the expiry of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.
- If any of the Public Shareholders of the Target Company that are not resident in India (such NRI, OCBs and FIs) require any approvals inter alia from the RBI, the Foreign Investment Promotion Board or any regulatory body for the transfer any Equity Shares to the Acquirer, they shall be required to submit such approval along with the other documents required to be tendered to accept this Offer. If such approval is not submitted, the Acquirer reserves the right to reject the Equity Shares tendered by such Public Shareholders that are not resident in India. Subject to the receipt of statutory and other approvals, if any, the Acquirer shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the Tendering Period to those equity shareholders who have validly tendered Equity Shares in the Offer and are accepted for acquisition by the Acquirer.
- The Acquirer shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the Tendering Period to those Equity Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirer.
- In case of delay in receipt of any statutory approval, the SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by the SEBI, in terms of regulation 18(11) of the Takeover Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 17(9) of the Takeover Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- In terms of Regulation 23(1) of the Takeover Regulations, if the approvals mentioned in paragraph VI are not satisfactorily complied with or any of the statutory approvals are refused, the Acquirer has a right to withdraw the Offer. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be filed with SEBI, BSE and the registered office of the Target Company.

**VII. TENTATIVE SCHEDULE OF ACTIVITY**

Activity	Day and Date
PA	Monday, December 16, 2019
Publication of DPS in the newspapers	Monday, December 23, 2019
Filing of the draft letter of offer with SEBI	Tuesday, January 31, 2019
Last date for a competitive bid	Tuesday, January 14, 2020
Last date for SEBI observations on draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Tuesday, January 21, 2020
Identified Date*	Thursday, January 23, 2020
Letter of Offer to be dispatched to shareholders	Thursday, January 30, 2020
Last date for revising the Offer price/ number of shares	Wednesday, February 05, 2020
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	Tuesday, February 04, 2020
Date of publication of Offer Opening Public Announcement	Wednesday, February 05, 2020
Date of commencement of Tendering Period (Offer Opening Date)	Thursday, February 06, 2020
Date of Expiry of Tendering Period (Offer Closing Date)	Thursday, February 20, 2020
Last Date for completion of all requirements including payment of consideration	Friday, March 06, 2020

\* The Identified Date is only for the purpose of determining the equity shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the equity shareholders of the Target Company (except the Acquirer, Sellers and promoter group shareholders of the Target Company) are eligible to participate in this Offer at any time prior to the closure of this Offer.

**VIII. ELIGIBILITY TO PARTICIPATE IN THE OFFER AND PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER**

- All Public Shareholders holding the shares in dematerialized form are eligible to participate in this Offer at any time during the Tendering Period for this Offer. Please refer to section titled "Procedure to be followed by shareholders who are holding Equity Shares in physical form" below of this part, for details in relation to tendering of Offer Shares held in physical form.
- Persons who have acquired Equity Shares but whose names do not appear in the Register of Members/ List of Beneficiaries 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.
- The Offer shall be implemented by the Target Company through Stock Exchange Mechanism made available by BSE in the form of separate window ("**Acquisition Window**") as provided under the Takeover Regulations and SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by the SEBI.
- For implementation of the Offer, the Acquirer has appointed Choice Equity Broking Private Limited as the Buying Broker (the "**Buying Broker**") through whom the purchases and settlements on account of the Offer would be made by the Acquirer. The contact details of the Buying Broker are as follows:  
**Name:** Choice Equity Broking Private Limited  
**Address:** Shree Shakambhari Corporate Park, Plot No. 156-158, J. B. Nagar, Andheri (East), Mumbai-400099  
**Contact Person:** Mr. Jeetender Joshi **Tel.:** +91 22 6707 9999/ 9832 **E-mail:** jeetender.joshi@choiceindia.com; compliance@choiceindia.com
- All the Public Shareholders who desire to tender their Equity Shares under the Offer would have to intimate their respective stock broker ("**Selling Broker**") during the normal trading hours of the secondary market during tendering period.
- The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders only for demat Equity Shares.
- The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session at specific intervals by BSE during Tendering Period.
- Public Shareholders can tender their Equity Shares only through a broker with whom they are registered as client (KYC Compliant).
- In the event Seller Broker of any Public Shareholder is not registered with BSE then that Public Shareholder can approach the Buying Broker as defined in the Point 4 above and tender the Equity Shares through the Buying Broker after submitting the details as may be required by the Buying Broker to be in compliance with the SEBI Regulations.