# BOMBAY SWADESHI STORES LIMITED

Registered Office: Western India House, Sir P M Road, Fort, Mumbai - 400 001, Maharashtra; Tel. No.: +91-22-4031 8888; Fax No.: +91-22- 4031 8800; Compliance Officer: Mr. John Varughese

This Public Announcement ("PA") is issued by Inga Capital Private Limited ("Manager to the Offer") on behalf of Ms. Madhu Chandak ("Acquirer I"), Ms. Manjri Chandak ("Acquirer II") and Ms. Jyoti Varun Kabra ("Acquirer III") (Acquirer I, Acquirer II and Acquirer III are collectively referred to as the "**Acquirers**") to the public shareholders of Bombay Swadeshi Stores Limited ("Company") pursuant to Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and subsequent amendments thereto ("Delisting Regulations") in respect of the proposed acquisition and delisting of the equity shares of the Company.

For the purposes of the PA, the following terms would have the meaning assigned to them herein below:

"Equity Shares" shall mean fully paid-up equity shares of the Company of face value of ₹ 2/- each.

"Other Seller" shall mean Fidelity Multitrade Private Limited.

"Promoter Sellers" shall mean Mr. Milan Bhupendra Dalal ("Seller 1"), Mr. Asim Dalal ("Seller 2"), Mr. Satven B Dalal ("Seller 3"), Mr. Bhupendra C Dalal ("Seller 4"), B C Dalal HUF ("Seller 5") and CIFCO Ltd ("Seller 6"). "Sellers" shall mean Promoter Sellers and Other Seller. "SPA I" shall mean Share Purchase Agreement dated April 24, 2015, executed amongst, the Acquirers and the Promoter

Sellers to acquire 25,58,964 Equity Shares representing 51.80% of fully paid-up equity share capital and voting capital of the Company at a price of ₹ 126/-

"SPA II" shall mean Share Purchase Agreement dated April 24, 2015, executed amongst, the Acquirers and Other Seller to acquire 7,40,000 Equity Shares representing 14.98% of fully paid-up equity share capital and voting capital of the Company at a price of ₹ 126/-

"SPAs" shall mean SPAI and SPAII.

### BACKGROUND OF THE DELISTING OFFER

On April 24, 2015, the Acquirers have entered into SPAI. Pursuant to the SPAI, the Acquirers agreed to acquire 25,58,964 Equity Shares representing 51.80% of fully paid-up equity share capital and voting capital of the Company at a price of ₹ 126/- (Rupees One Hundred and Twenty Six Only) aggregating to ₹ 32,24,29,464/-(Rupees Thirty Two Crore Twenty Four Lacs Twenty Nine Thousand Four Hundred and Sixty Four only) payable in cash as below

Sr. No.	Name of the Promoter Sellers	Number of Equity Shares	% of fully paid-up equity share capital
1	Mr. Milan Bhupendra Dalal	14,26,666	28.88%
2	Mr. Asim Dalal	3,33,620	6.75%
3	Mr. Satyen B Dalal	3,33,353	6.75%
4	Mr. Bhupendra C Dalal	2,09,286	4.24%
5	B C Dalal HUF	2,00,000	4.05%
6	CIFCO Ltd	56,039	1.13%
	Total	25,58,964	51.80%

- Further, on April 24, 2015, the Acquirers have entered into SPA II with Other Seller. Pursuant to the SPA II, the Acquirers agreed to acquire 7,40,000 Equity Shares representing 14.98% of fully paid-up equity share capital and voting capital of the Company at a price of ₹ 126/- (Rupees One Hundred and Twenty Six Only) aggregating to ₹ 9,32,40,000/- (Rupees Nine Crore Thirty Two Lacs Forty Thousand only) payable in cash.
- Consequent to the SPAs, the Acquirers have triggered the open offer under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations, 2011") made an open offer for acquisition of 10,31,357 (Ten Lacs Thirty One Thousand Three Hundred and Fifty Seven) Equity Shares representing 20.88% of fully paid-up equity share capital and voting capital of the Company at a price of ₹ 126/- per Equity Shares ("Offer Price") held by the Public Shareholders, in terms of Regulations 3(1), 4 and 5A of the SEBI (SAST) Regulations, 2011 ("Open Offer")
- As on the date of PA Acquirers hold 38,82,415 Equity Shares representing 78.59% of fully paid-up equity share capital and voting capital of the Company.
- The Acquirers have declared their intention to delist the Equity Shares of the Company in public announcement ated April 24, 2015 issued under SEBI (SAST) Regulations, 2011.
- The Acquirers vide a letter dated April 24, 2015, had informed the Company of their intention in terms of Regulation 5A of the SEBI (SAST) Regulations, 2011 to make a Delisting Offer and requested the board of directors of the Company to take all actions as required under the Delisting Regulations.
- The Acquirers seeks to acquire 10,31,357 Equity Shares representing 20.88% of fully paid-up equity share capital and voting capital of the Company ("Offer Shares") from the public shareholder (defined to mean all the shareholders other than the Acquirers and other members of the promoter & promoter group of the Company, hereinafter referred to as "Public Shareholders") and proposes to delist the Equity Shares of the Company from BSE Limited ("BSE"/"Stock Exchange") pursuant to the Delisting Regulations ("Offer"/"Delisting Offer").
- The board of directors of the Company at their meeting held on June 3, 2015 considered and approved the delisting proposal received from the Acquirers, subject to applicable law and approval of the shareholders of the Company. A special resolution has been passed by the shareholders of the Company through postal ballot, the result of which was declared on July 10, 2015, approving the proposed voluntary delisting of the equity shares from the Stock Exchange in accordance with the Delisting Regulations. The votes cast by the Public Shareholders in favour of Delisting Offer were 4,72,398 Equity Shares being more than two times of the votes casted by Public Shareholders against it (62,120 Equity Shares).
- The Company has made an application to BSE for seeking in-principle approval for delisting vide letter dated July 16, 2015 and BSE has granted in-principle approval for the proposed delisting vide its letter No. DCS/DEL/BM/IP/589/2015-2016 dated September 7, 2015.
- 1.10. The PA is being issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations

Newspapers	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition

- Any material changes, modifications or amendments to the PA, if any, will be notified by issuing a notice in all of the aforesaid newspapers
- 1.12. The Acquirers reserve the right to withdraw the Delisting Offer in certain cases as more fully set out in Paragraph 14(a) of the PA. **OBJECTIVE OF DELISTING**

### The prime objective of the Acquirers for making the Delisting Offer is (i) Substantial acquisition of Equity Shares

and voting rights accompanied with control over the management of the Company, which will provide the Acquirers with increased operational flexibility to support the Company's business and meet the needs of its customers; (ii) to provide an exit opportunity to the Public Shareholders. In this respect, the Acquirers believe that Delisting Offer is in the best interests of the Public Shareholders, as it provides them an exit opportunity. BACKGROUND OF THE ACQUIRERS

- Ms. Madhu Chandak ("Acquirer I"), aged 35 years, wife of Mr. Abhay Chandak, residing at C-501, Vastu CHSL Plot No. 49, Military Road, Nr. Devanand Bunglow, Juhu, Mumbai - 400 049, Maharashtra. She is having degree  $in\,Master\,in\,Finance\,from\,Cardiff\,University,\,United\,Kingdom\,and\,has\,around\,five\,years\,of\,experience\,in\,the\,field$
- Ms. Manjri Chandak ("Acquirer II") aged 29 years, wife of Mr. Aditya Chandak, residing at C-501, Vastu CHSL Plot No. 49, Military Road, Nr. Devanand Bunglow, Juhu, Mumbai 400 049, Maharashtra. She is having degree in MBA in finance and investment from University of Nottingham, United Kingdom and is a director of Avenue Supermarts Limited since 2011 and has around five years of experience in the field of finance and accounts.
- Ms. Jyoti Varun Kabra ("Acquirer III") aged 28 years, wife of Mr. Varun Kabra, residing at Gopi Kunj, 46, Vitthal Nagar CHSL, 11th Road, JVPD Scheme, Vile Parle West, Mumbai - 400 049, Maharashtra She is having degree in MBA in marketing from Prin. L. N. Welingkar Institute of Management Development and Research, Mumbai and has around three years of experience in the field of marketing
- Acquirer I, Acquirer II and Acquirer III are sisters.
- As on the date of the PA, shareholding of Acquirers are as below

Sr. No.	Acquirers	Number of Equity Shares	% of fully paid-up equity share capital
1	Ms. Madhu Chandak	12,94,138	26.20
2	Ms. Manjri Chandak	12,94,139	26.20
3	Ms. Jyoti Varun Kabra	12,94,138	26.20
	Total	38,82,415	78.59

Note: The above shareholding of Acquirers includes the Equity Shares acquired under SPAs under Regulation 22(2) of SEBI (SAST) Regulations, 2011.

The net worth of Acquirer I, Acquirer II and Acquirer III as certified vide certificate dated April 22, 2015 issued by Mr. Anuj Golecha (Membership No.: 117617) partner of Ws. Banshi Jain & Associates, Chartered Accountants (Firm Registration No.: 100990W), having office at 404/405, Imperial Plaza, Dr. K. B. Hedgewar Marg, Opp. Amarsons, Off Linking Road, Bandra (W), Mumbai - 400 050; Tel. No.: +91-22-2651 1215, Fax No : +91-22-2651 1197 are as below

Acquirer I	₹ 12,46,84,906/- (Rupees Twelve Crore Forty Six Lacs Eighty Four Thousand Nine Hundred and Six only)
Acquirer II	₹ 16,66,07,015/- (Rupees Sixteen Crore Sixty Six Lacs Seven Thousand and Fifteen only)
Acquirer III	₹8,66,00,059/- (Rupees Eight Crore Sixty Six Lacs and Fifty Nine only)

The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") or any other Regulations made under the SEBI Act.

### BACKGROUND OF THE COMPANY

- The Company was originally incorporated on December 11, 1905, as 'The Bombay Swadeshi Co-Operative Stores Company Limited' under the Indian Companies Act, 1882. The name of Company was changed to Bombay Swadeshi Stores Limited' w.e.f. March 3, 1967, and a Fresh Certificate of Incorporation consequent on change of name was issued by the Registrar of Companies, Maharashtra, Bombay. The registered office of the Company is situated at Western India House, Sir P M Road, Fort, Mumbai - 400 001, Maharashtra; Tel. No.: +91-22-4031 8888; Fax No.: +91-22-4031 8800. The ISIN of Equity Share of the Company is INE595B01027. The Company under its flagship brand name. "The Bombay Store", is engaged in the business of operating retail stores (by itself or through franchisee arrangements) across various cities in India as well as an e-commerce website www.thebombaystore.com.
- $As on the \ date \ of \ the \ PA, \ the \ Company \ has \ no \ outstanding \ instruments \ or \ securities \ or \ employee \ stock \ options$ which are convertible into the same class of Equity Shares that are sought to be delisted
- Summary of the audited standalone financial statements for the financial year ended March 31, 2013 March 31, 2014 and March 31, 2015 are as follows:

(Amount in lacs except EPS and Book Value)

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Particulars	Financial year ended March 31, 2013	Financial year ended March 31, 2014	Financial year ended March 31, 2015
Profit & Loss Statement			
Income from Operation	1,292.10	1,278.65	1,314.91
Other Income	60.51	38.70	9.11
Total Income	1,352.60	1,317.35	1,324.02
Total Expenditure	1,179.24	1,161.43	1,198.57
Profit/(Loss) before Depreciation Interest and Tax	173.36	155.92	125.45
Depreciation and amortisation expense	32.39	25.94	19.48
Finance Cost	121.13	106.89	95.69
Profit/(Loss) before Tax	19.84	23.09	10.29
Tax expenses	4.10	7.10	1.19
Profit after Tax	15.74	15.99	9.10
Less: Prior year Expenditure	0.55	0.00	0.00
Profit/(Loss) after Tax	15.19	15.99	9.10
Balance Sheet Statement			
Paid-up equity share capital	98.80	98.80	98.80
Reserves & Surplus	1,169.67	1,185.66	1,154.43
Shareholder's Funds	1,268.47	1,284.46	1,253.23

Non Current Liabilities	246.38	231.53	106.94	
Current Liabilities	717.10	681.91	1,120.49	
Total Liabilities	963.48	913.44	1,227.43	
Total Equity & Liabilities	2,231.95	2,197.90	2,480.67	
Non Current Assets	323.45	295.58	210.78	
Current Assets	1,908.49	1,902.32	2,269.89	
Total Assets	2,231.95	2,197.90	2,480.67	
Other Financial Data				
Earnings per Share - Basic & Diluted	0.32	0.32	0.18	
Net worth*	1,268.47	1,284.46	1,253.23	
Return on Net Worth (%)	1.20%	1.25%	0.73%	
Book Value	25.68	26.00	25.37	

the year ended March 31, 2015 as submitted with the BSE). \*Net worth/Shareholders' funds = Share capital + Reserves and surplus

### STOCK EXCHANGES FROM WHICH THE EQUITY SHARES ARE PROPOSED TO BE DELISTED

- All the Equity Shares are presently listed on the BSE only and are proposed to be delisted from BSE
- Public Shareholders should note that as per the Delisting Regulations:
- No application for listing shall be made in respect of the Equity Shares which have been delisted pursuant to the Delisting Offer, for a period of five years from the date of delisting from Stock Exchange, except where a recommendation in this regard has been made by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985.
- Any application for listing made in future by the Company in respect of delisted Equity Shares shall be leemed to be an application for fresh listing of such Equity Shares and shall be subject to provisions of law relating to listing of equity shares of unlisted companies.
- The facility for acquisition of shares through stock exchange mechanism pursuant to Delisting Offer shall be available on the BSE on a separate window ("Acquisition Window" or "OTB")

### MANAGER TO THE OFFER

- The Acquirers have appointed Inga Capital Private Limited having its office at Naman Midtown, 'A' Wing, 21st Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai 400 013; Tel. No.: +91-22-4031 3489; Fax No.: +91-22-4031 3379, as the Manager to the Offer ("Manager to the Offer").
- The Manager to the Offer does not hold any Equity Share of the Company.

### REGISTRAR TO THE OFFER

The Acquirers have appointed Link Intime India Private Limited having its office at C-13. Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078; Tel. No.: +91-22-6171 5400; Fax No.: +91-22-2596 0329, Contact Person: Mr. Ganesh Mhatre, Email: bssl.offer@linkintime.co.in, as the Registrar to the Offer ("Registrar to the Offer").

### DETAILS OF THE BUYER BROKER

For implementation of Delisting Offer, the Acquirers have appointed Antique Stock Broking Limited having its office at 20th floor, Naman Midtown, A Wing, Senapati Bapat Marg, Elphistone (W), Mumbai - 400013, Tel. No.: +91-22-4031 3300, Fax No.: +91-22-4031 3400, Contact Person: Mr. Anil Agarwal, Email: anil@antiquelimited.com, through whom the purchases and settlement on account of Delisting Offer would be made by the Acquirers ("Buver Broker").

### PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

- The Authorised Share Capital of the Company is  $\[Tilde{\Tilde{5}},00,00,000/\]$  comprising of 1,50,00,000 equity shares of  $\[Tilde{\Tilde{2}}$  each and 2,00,000 preference shares of  $\[Tilde{\Tilde{5}}$  100/- each. The issued, subscribed and paid up capital of the Company is ₹ 98,80,000 comprising of 49,40,000 paid up equity shares of face value of ₹ 2/- each
- As on date of this PA, the Company has no outstanding convertible instruments, partly paid up Equity Shares, convertible instruments or stock options that will result in issuance of any fresh Equity Shares. None of the Equity Shares are subject to lock-in requirements

The shareholding of the Company as on date is as under:

Particulars	No. of Equity Shares	% of Equity Capital
Promoter and promoter group	26,228	0.53
Acquirers	38,82,415	78.59
Public	10,31,357	20.88
Grand Total	49,40,000	100.00

LIKELY POST DELISTING CAPITAL STRUCTURE

The likely post delisting capital structure of the Company, assuming all the Offer Shares are acquired pursuant to Delisting Offer will be as under

Particulars	No. of Equity Shares	% of Equity Capital			
Promoter and promoter group	26,228	0.53			
Acquirers	49,13,772	99.47			
Public	Nil	NA			
Total	49,40,000	100.00			

### INFORMATION REGARDING STOCK MARKET DATA

The Equity Shares of the Company are listed on BSE. The high, low and average market prices (in ₹ per share) of the Equity Shares during the preceding three financial years on BSE (March 1, 2012 to March 31, 2015) are as

follows:					
Year	High*	Low*	Average**		
April 1, 2014 - March 31, 2015	80.50	17.05	38.94		
April 1, 2013 - March 31, 2014	25.80	16.50	21.35		
April 1 2012 March 21 2012	22 50	22.75	20.22		

\*High of intra-day highs/low of intra-day lows during the period \*\*Volume Weighted Average Market Price during the period

(Source: www.bseindia.com)

The monthly high and low market prices (in ₹ per share) of the Equity Shares and the trading volumes (number of Equity Shares) for six calendar months immediately preceding the date of PA on BSE (i.e. March, 2015 to August, 2015) are as follows:

Month	High*	Low*	Volume for the month
August 2015	145.90	123.50	54,101
July 2015	148.00	128.50	45,773
June 2015	150.00	126.00	11,40,600
May 2015	162.80	119.00	2,18,100
April 2015	116.70	82.10	6,01,866
March 2015	80.50	63.55	28,340

\*High of intra-day highs/low of intra-day lows during the period

### (Source: www.bseindia.com) DETERMINATION OF THE FLOOR PRICE

- This being a Delisting Offer under Regulation 5A of the SEBI (SAST) Regulations, 2011 and as per the 12.1. to the Offer Price determined for the Open Offer.
- The Equity Shares of the Company are listed on BSE Limited. The Equity Shares are placed under Group 'T' having a Scrip Code of 531276 on BSE.
- The annualized trading turnover in the Equity Shares of the Company on BSE based on trading volume during the twelve calendar months prior to the month of public announcement made for Open Offer on April 24, 2015 (April, 2014 to March, 2015) is as given below:

Stock Exchange	Total no. of Equity Shares traded during the twelve calendar months prior to the month of public announcement	Total no. of listed Equity Shares	Annualised trading turnover (as % of total Equity Shares listed)		
BSE Limited	1,54,459	49,40,000	3.13%		
(Course, usus basindia asm)					

- based on the above information, the Equity Shares of the Company are infrequently traded on the BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.
- The floor price of ₹ 126/- (Rupees One Hundred and Twenty Six Only) per Equity Share ("Floor Price") is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011, being the highest of the

Sr. No.	Particulars	Price (in ₹ per Equity Share)
1	Highest negotiated price for acquisition of Equity Shares under the SPAs	126/-
2	The volume-weighted average price paid or payable for acquisition by the Acquirers during 52 weeks immediately preceding the date of public announcement made for Open Offer on April 24, 2015	94.10
3	The highest price paid or payable for any acquisition by the Acquirers during 26 weeks immediately preceding the date of the public announcement made for Open Offer on April 24, 2015	94.10
4	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement made for Open Offer on April 24, 2015 as traded on BSE	Not Applicable
	Other financial parameter as at March 31, 2014:	
5	(i) Return on Net worth (%)	1.25%
"	(ii) Book value per Equity Shares	26/-
	(iii) Earnings Per Share (Basic and diluted)	0.32
6	Price determined after taking into account valuation parameters as are customary for valuation.*	18.83

\*The fair value of Equity Share of the Company is ₹ 18.83 per Equity Share as certified vide valuation report dated April 24, 2015 issued by Mr. Anui Golecha (Membership No.: 117617) partner of M/s. Banshi Jain & Associates, Chartered Accountants (Firm Registration No.: 100990W), having office at 404/405, Imperial Plaza, Dr. K. B. Hedgewar Marg, Opp. Amarsons, Off Linking Road, Bandra (W), Mumbai - 400 050; Tel. No.: +91-22-2651 1215. Fax No.: +91-22-2651 1197.

- 12.6. In view of the parameters considered and presented in the table above and fair value of Equity Share as certified vide valuation report dated April 24, 2015 issued by Mr. Anuj Golecha (Membership No.: 117617) partner of M/s. Banshi Jain & Associates, Chartered Accountants (Firm Registration No.: 100990W), in the opinion of the Acquirers and Manager to the Offer, the Floor Price of ₹ 126/- (Rupees One Hundred and Twenty Six Only) per Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.
- 12.7. There have been no corporate actions in the Company warranting adjustment of relevant price parameters. 12.8. In view of the above, the Acquirers have, in consultation with the Manager to the Offer, set the floor price at
- ₹ 126/- (Rupees One Hundred and Twenty Six Only) per Equity Share. The Acquirers reserve the right not to acquire the Offer Shares at any higher price established pursuant to
- reverse book-building process ("RBP") conducted through OTB.
- DETERMINATION OF EXIT PRICE
- The Acquirers propose to acquire the Offer Shares pursuant to RBP conducted through OTB in accordance with the terms of the Delisting Regulations.
- 13.2. All Public Shareholders can tender their Equity Shares during the Bid Period (as hereinafter defined) at or above the Floor Price.
- 13.3. In accordance with the Delisting Regulations, the price payable by the Acquirers for the Offer Shares will not be less than the price at which the shareholding of the Acquirers reaches 90% of fully paid-up equity share capital and voting capital of the Company pursuant to RBP ("Discovered Price") conducted through OTB in the manner specified in Schedule II of Delisting Regulations

- 13.4. The Acquirers are under no obligation to accept the Discovered Price. The Acquirers may at their sole discretion acquire the Equity Shares at the Discovered Price or offer to pay a price higher price than the Discovered Price. The price so accepted by the Acquirers (being not less than the Discovered Price) is referred to as the exit price
- 13.5. The Acquirers shall announce the Discovered Price and their decision to accept or reject the Discovered Price and if accepted the Acquirers will announce the Exit Price, as applicable, in the same newspapers in which the PA has appeared, in accordance with the timetable set out herein.
- 13.6. If the Acquirers announce an Exit Price, the Acquirers will acquire, subject to the terms and conditions of the PA and the Offer Letter which will be sent to the Public Shareholders holding Equity Shares as on the Specified Date (as defined in paragraph 18.1 of the PA) of the Company, all the Offer Shares that have been tendered at a price up to and equal to the Exit Price and will pay a cash consideration equal to the Exit Price for each such Offer Share. The Acquirers will not accept the Offer Shares that have been offered at a price that exceeds
- 13.7. In the event the Acquirers do not accept the Discover Price under Regulation 16 of Delisting Regulations or failure of the Delisting Offer in terms of Regulation 17 of Delisting Regulations:
  - The Acquirers through the Manager to the Offer, shall within five working days, announce such rejection of Discover Price or failure of Delisting Offer, make an announcement in all the newspapers in which the PA has appeared in accordance with Delisting Regulations.
  - The Acquirers through the Manager to the Offer, shall within two working days of above announcement, make a public announcement in all the newspapers in which detailed public statement dated May 4, 2015 was published in accordance with SEBI (SAST) Regulations, 2011
  - (iii) No final application shall be made to the BSE for delisting of the Equity Shares.
  - (iv) The Acquirers through the Manager to the Offer, shall within five working days from the date of announcement of failure of Delisting Offer as mentioned in paragraph 13.7 (ii) above, file a draft letter of offer for the Open Offer with SEBI, as specified in Regulation 16(1) of the SEBI (SAST) Regulations, 2011 and enhance the Offer Price by an amount equal to a sum determined at the rate of ten percent per annum for the period between the scheduled date of payment of consideration i.e. July 15, 2015 and the actual date of payment of consideration to the Public Shareholders and shall comply with all other applicable provisions of the SEBI (SAST) Regulations, 2011.
  - Public Shareholders who have tendered their Equity Shares in acceptance of the Delisting Offer made shall be entitled to withdraw such tendered Equity Shares within ten working days from the date of announcement of failure of Delisting Offer as mentioned in paragraph 13.7 (ii). In case such Public Shareholders do not withdraw the Equity Shares tendered, payment for the same shall be made in terms of SEBI (SAST) Regulations, 2011.
  - (vi) The Acquirers shall in their sole and absolute discretion will have a right to return or retain the Equity Shares tendered in the Bid Period in terms of proviso of Regulation 19(2)(a) of the Delisting Regulations

### CONDITIONS TO THE DELISTING OFFER

The acquisition of Offer Shares by the Acquirers and the Delisting Offer are conditional upon:

- The Acquirers will in their sole and absolute discretion decide to accept the Discovered Price or offer the Exit Price. It may be noted that notwithstanding anything contained in this Public Announcement, the Acquirers reserve the right to reject the Discovered Price if the same is higher than the Floor Price. A minimum number of 5,63,585 Offer Shares being tendered at or below the Exit Price so as to cause the
- cumulative number of Equity Shares held by the Acquirers as on the date of PA taken together with the Equity Shares acquired under the Delisting Offer to be equal to or exceed 44,46,000 Equity Shares constituting 90% of fully paid-up equity share capital and voting capital of the Company, as per Regulation 17(a) of the Delisting Regulations and with at least 25% of the Public Shareholders holding Equity Shares in the demandant mode as on the date of meeting of the Board of Directors approving the Delisting Offer having participated in the reverse book building process conducted through OTB, in accordance with Regulation 17(b) of the Delisting Regulations. Provided that, if the Acquirers along with the Manager to the Offer demonstrate to the Stock Exchange that they have sent the Offer Letter of this Delisting Offer to all the Public Shareholders either through registered post or speed post or courier or hand delivery with proof of dispatch or through email as a text or as an attachment to email or as a notification providing electronic link or Uniform Resource Locator including a read receipt, the mandatory participation of at least 25% of the Public Shareholders holding Equity Shares in the demat mode in the reverse book building process conducted through OTB for Delisting Offer to be successful is not applicable.
  - To the best of Acquirers' knowledge, as on date, there are no statutory or regulatory approvals required for acquiring the Offer Shares and implementing the Delisting Offer. If any statutory or regulatory approvals become applicable, the acquisition of the Offer Shares by the Acquirers and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals. There being no amendments to the Delisting Regulations or other applicable laws or regulations or any order
- from a court or a competent regulatory authority which would prejudice the Acquirers from proceeding with DISCLOSURE REGARDING MINIMUM ACCEPTANCE CONDITIONS FOR SUCCESS OF OFFER
- In accordance with Regulation 17 of the Delisting Regulations the Offer made shall be deemed to be
- taken together with the Equity Shares accepted in the RBP conducted through OTB of the eligible bids at the Exit Price reaches at least 44,46,000 Equity Shares constituting 90% of fully paid-up equity share capital and voting capital of the Company. at least 25% of the Public Shareholders holding shares in the demat mode as on date of the meeting of the

The Delisting Offer made shall be deemed to be successful if post offer, the shareholding of the Acquirers

Board of Directors approving the Offer i.e. on June 3, 2015, participate in the reverse book building process conducted through OTB; However, the requirement of participation by 25% Public Shareholders holding Equity Shares in demat

mode shall not be applicable in case the Acquirers along with the Manager to the Offer demonstrate to the Stock Exchange that they have sent the Offer Letter of this Delisting Offer to all the Public Shareholders either through registered post or speed post or courier or hand delivery with proof of dispatch or through email as a text or as an attachment to email or as a notification providing electronic link or Uniform Resource Locator including a read receipt.

## TENDER OFFER FACILITY

Delisting Regulations were amended vide notification dated March 24, 2015 and further, SEBI vide its circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued "Mechanism for acquisition of shares through Stock Exchange" and BSE vide their guidelines "Operational Guidelines for Offer to Buy (OTB) Window", to facilitate tendering of Equity Shares by the shareholders and settlement of the same, through the stock exchange mechanism. For the Delisting Offer the facility for acquisition of Equity Shares through stock exchange mechanism. will be available on BSE, on such terms and conditions as may be prescribed by from time to time, on a separate Acquisition Window in form of web based bidding platform ("Tender Offer Facility")

Acquirers have chosen Tender Offer Facility provided by BSE and have chosen BSE as Designated Stock Exchange

### 17. DATE OF OPENING AND CLOSING OF BID PERIOD

- All the Public Shareholders holding the Offer Shares of the Company are eligible to participate in the RBP conducted through OTB, by tendering whole or part of the Equity Shares held by them through the Tender Offer Facility at or above the Floor Price. The period during which the Public Shareholders may tender their Offer Shares pursuant to Tender Offer Facility ("Bid Period") shall commence on September 21. 2015 ("Bid Opening Date") and close on September 28, 2015 ("Bid Closing Date") during normal trading hours of the secondary market. During the Bid Period, bids of Equity Shares will be placed by Pubic Shareholders ("Bids") through their respective stock brokers during normal trading hours of secondary market on or before the Bid Closing Date. Public Shareholders should ensure to Bid their Equity Shares during the Bid Period before the end of Rid Period. Any change in the Rid Pe ind will be notif addendum/corrigendum in the newspapers in which the PA has appeared.
- 17.2. Public Shareholders should ensure that the Bids are required to be uploaded in Tender Offer Facility on or before the Bid Closing Date for being eligible for participation in Delisting Offer. Bids not uploaded in Tender Offer Facility window will not be considered for delisting purposes and will be returned/rejected to the respective Public Shareholder.

### PROCESS AND METHODOLOGY FOR BIDDING

intend to tender under the Delisting Offer.

- Offer letter inviting the Public Shareholders (along with necessary forms and instructions) to tender their Offer Shares to the Acquirers by way of submission of Bids ("Offer Letter") will be dispatched to Public Shareholders, whose names appear on the register of members of the Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on September 9, 2015 ("Specified Date"). In the event accidental omission to dispatch the Offer Letter or non receipt of the Offer Letter by any Public Shareholder or any Public Shareholder who bought the Equity Shares after Specified Date, they may obtain a copy of Offer Letter by writing to Registrar to the Offer at their address given in paragraph 7, clearly marking the envelope "Bombay Swadeshi Stores Limited - Delisting Offer. Alternatively, the Public Shareholders may obtain copies of Offer Letter from the website of BSE, www.bseindia.com or from the website of the Registrar to the Offer or the Manager to the Offer, at www.linkintime.co.in and www.ingacapital.com, respectively.
- 18.2 The Delisting Offer is open to all Public Shareholders of the Company holding Equity Shares either in physical and/or demat form.
- 18.3 During the Bid Period, Bids will be placed in the Acquisition Window by Public Shareholders through their respective stock brokers ("Seller Member(s)") during normal trading hours of the secondary market. The Seller Members can enter orders for demat shares as well as physical shares.
- 18.4 Procedure to be followed by Equity Shareholders holding Equity Shares in dematerialized form: Public Shareholders who desire to tender their Equity Shares in the electronic form under the Delisting Offer would have to do so through their respective Seller Member by indicating the details of Equity Shares they
  - The Seller Member would be required to transfer the number of Equity Shares by using the settlement number and the procedure prescribed by the Clearing Corporation of India Ltd. ("Clearing Corporation") for the transfer of the Equity Shares before placing the bids and the same shall be validated at the time of order entry. The details of settlement number shall be informed in the issue opening circular that will be issued by
  - BSE/Clearing Corporation before the Bid Opening Date. For Custodian Participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian
  - confirmation and the revised order shall be sent to the custodian again for confirmation. Upon placing the Bid, a Seller Member shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the shareholder. TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered and price at which the Bid was placed, etc.
- The Clearing Corporation will hold in trust the Equity Shares until the Acquirers complete their obligations under the Delisting Offer in accordance with the Delisting Regulations. 18.5 Procedure to be followed by Equity Shareholders holding Equity Shares in the Physical form:
- Public Shareholders who are holding physical Equity Shares and intend to participate in the Delisting Offer will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including as below: (i) original share certificate(s)
  - (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/Bank Manager under their Official Seal:
  - (iii) Self attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors) (iv) Bid Form duly signed (by all equity shareholders in case Equity Shares are in joint names) in the same
  - order in which they hold the shares; and (v) 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 Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

- Upon placing the bid, the Seller Member shall provide a TRS generated by the Exchange Bidding System to the Public Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered, price at which the Bid was placed, etc.
- c. The Seller Member/Public Shareholder should ensure to deliver the documents as mentioned in paragraph 18.5 (a) above along with TRS either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned at paragraph 7) within 2 (two) days of bidding by Seller Member. The envelope should be superscribed as "Bombay Swadeshi Stores Limited - Delisting Offer".
- d. Public Shareholders holding Equity Shares in physical form should note that Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares by the Acquirers shall be subject to verification of documents. Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once, Registrar to the Offer confirms the bids it will be treated as 'Confirmed Bids'. Bids of Public Shareholders whose original share certificate(s) & other documents (as mentioned in Paragraph 18.5 (a) above) along with TRS are not received by the Registrar to the Offer two days after the Bid Closing date shall liable to be rejected.
- The Registrar to the Offer will hold in trust the share certificate(s) & other documents (as mentioned in Paragraph 18.5 (a) above) until the Acquirers complete their obligations under the Delisting Offer in accordance with the Delisting Regulations.
- 18.6 Public Shareholders, who have tendered their Equity Shares by submitting Bids pursuant to the terms of the PA and the Offer Letter, may withdraw or revise their bids upwards not later than one day before the Bid Closing Date. Downward revision of bids shall not be permitted. Any such request for revision or withdrawal of the Bids should be made by the Public Shareholder through their respective Seller Member, through whom the original Bid was placed, not later than one day before the Bid Closing Date. Any such request for revision or withdrawal of Bids received after normal trading hours of secondary market on one day before the Bid Closing Date will not be accepted.
- 18.7 Public Shareholders should note that the Bids should not be tendered to the Manager to the Offer or the Registrar to the Offer or to the Acquirers or to the Company.
- 18.8 The cumulative quantity tendered shall be made available on BSE Limited's website www.bseindia.com throughout the trading session and will be updated at specific intervals during the Bid Period.
- 18.9 The Equity Shares to be acquired under the Delisting Offer are to be acquired free from all liens, charges, and encumbrances and together with all rights attached thereto. Equity Shares that are subject to any lien, charge or encumbrances are liable to be rejected.
- 18.10 Public Shareholders holding Equity Shares under multiple folios are eligible to participate in the Delisting Offer and their Bids would not be rejected.

### 19. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per Delisting Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- b. For consideration towards the Equity Shares accepted under the Delisting Offer, the Acquirers will pay the consideration to the Buyer Broker on or before the pay-in date for settlement. The Buyer Broker will transfer the funds to the Clearing Corporation, which will be released to the respective Seller Member(s)/ Custodian Participants as per the secondary market payout in their settlement bank account. The Seller Member(s)/Custodian Participants would pay the consideration to their respective clients.
- c. The Equity Shares acquired in the demat form would either be transferred directly to the Acquirers' account provided it is indicated by the Buyer Broker or it will be transferred by the Buyer Broker to the Acquirers' account on receipt of the Equity Shares pursuant to the clearing and settlement mechanism of the Stock Exchange. In case of Equity Shares acquired in the physical form will be transferred directly to the Acquirers by Registrar to the Offer.
- d. In case of rejected demat Equity Shares, if any, tendered by the Public Shareholders, the same would be returned to the respective Seller Member by Clearing Corporation in payout. The Seller Member/Custodian Participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed. In case of rejection of physical Equity Shares will be returned back to the respective Public Shareholders directly by Registrar to the Offer.
- e. The Seller Member would issue contract note & pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer. Buyer Broker would also issue a contract note to the Acquirers for the Equity Shares accepted under the Delisting Offer.
- f. Public Shareholders who intend to participate in the Delisting offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Public Shareholders for tendering Equity Shares in the Delisting Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers, Company, Buyer Broker, Registrar to the Offer or Manager to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

### PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID

Once the Equity Shares have been delisted, all Public Shareholders whose Equity Shares have not been acquired by the Acquirers may validly tender their Equity Shares to the Acquirers at the Exit Price upto a period of one year from the date of delisting of the Equity Shares from BSE ("Exit Window"). A separate offer letter in this regard will be sent to the remaining Public Shareholders which will contain terms and conditions for participation in Exit Window. Such remaining Public Shareholders may tender their Equity Shares by submitting the required documents to the Registrar to the Offer within the stipulated time period.

#### 21. DETAILS OF ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- 21.1. The estimated consideration payable under the Delisting Regulations, being the Floor Price of ₹ 126/(Rupees One Hundred and Twenty Six only) per Equity Share multiplied by the number of Equity Shares outstanding
  with the Public Shareholders (i.e. 10,31,357 Equity Shares), is ₹ 12,99,50,982/- (Rupees Twelve Crore Ninety
  Nine Lacs Fifty Thousand Nine Hundred and Eighty Two only).
- 21.2. In accordance with the Delisting Regulations, the Acquirers, HDFC Bank Limited ("Escrow Bank") and the Manager to the Offer have entered into an escrow agreement dated April 28, 2015 and replacement agreement dated August 3, 2015. The Acquirers have opened an escrow account under the name and style of 'BSSL OFFER ESCROW ACCOUNT' with the Escrow Bank at their branch at Manekji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort, Mumbai 400 001 ("Escrow Account") in terms of the Regulation 17(3)(a) of the SEBI (SAST) Regulations, 2011 and deposited cash of ₹ 3,25,00,000/-(Rupees Three Crore Twenty Five Lacs only) on April 28, 2015 and ₹ 9,75,57,000/-(Rupees Nine Crore Seventy Five Lacs Fifty Seven Thousands Only) on June 5, 2015. As this Delisting Offer is in terms of Regulation 5A of the SEBI (SAST) Regulations, 2011, the aggregate amount deposited in the Escrow Account ₹ 13,00,57,000/-(Rupees Thirteen Crore Fifty Seven Thousands only), which represents more than 100% of the estimated consideration payable as calculated in paragraph 21.1 above and the same is in accordance with Regulation 11(1) of the Delisting Regulation.
- 21.3. The Manager to the Offer has been solely authorized by the Acquirers to operate and realize the value of Escrow Account in terms of Delisting Regulations.
- 21.4. If the Acquirers accept the Discovered Price or offer an Exit Price under Regulation 18 of the Delisting Regulations, the Acquirers shall forthwith deposit in the Escrow Account such additional sum as may be sufficient to make up the entire sum due and payable as consideration in respect of Offer Shares in compliance of Regulation 11(2) of the Delisting Regulations. The Acquirers along with the Manager to the Offer, will instruct the Escrow Bank to open a special account ("Special Account"), which shall be used for payment to the Public Shareholders who have tendered Offer Shares in the Delisting Offer.

### 22. PROPOSED TIMETABLE FOR THE OFFER

Activity	Day	Date
Publication of PA by the Acquirers	September 9, 2015	Wednesday
Specified Date for determining the names of Public Shareholders to whom the Offer Letter shall be sent	September 9, 2015	Wednesday
Dispatch of Offer Letter/Bid Form to the Public Shareholders as on specified date	September 11, 2015	Friday
Bid Opening Date	September 21, 2015	Monday
Last date for withdrawal or upward revision of bids	September 24, 2015	Thursday
Bid Closing Date	September 28, 2015	Monday
Last date of making public announcement of Discovered Price/Exit Price and the Acquirers acceptance/rejection of Discovered Price/Exit Price	October 6, 2015	Tuesday
Last date for payment of consideration for the Offer Shares to be acquired in case of successful Delisting Offer	October 13, 2015	Tuesday
Last date for return of Offer Shares to Public Shareholders in case of failure of Delisting Offer/rejection of Bids	October 13, 2015	Tuesday

- All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed timetable, if any, will be notified to Public Shareholders by way of corrigendum in all the newspaper in which the PA has appeared.
- Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date
  to whom Offer Letter will be sent. However, all Public Shareholders (registered or unregistered) of
  Offer Shares are eligible to participate in the Delisting Offer any time on or before the Bid Closing Date.
- Last date of payment is subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Acquirers.

#### 23. STATUTORY AND REGULATORY APPROVALS

3.1. To the best of Acquirers' knowledge, as on date, there are no statutory or regulatory approvals required to acquire the Offer Shares and implementing the Delisting Offer. If any statutory or regulatory approvals become applicable, the acquisition of the Offer Shares by the Acquirers and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.

- 23.2. The Acquirers reserve the right to not to proceed with the Delisting Offer in the event that any of the statutory or regulatory approvals, if any required, are not obtained or conditions which the Acquirers consider in their sole discretion to be onerous are imposed in respect of such approvals.
- 23.3. It shall be the responsibility of the Public Shareholders to obtain all requisite approvals (including corporate, statutory or regulatory approvals) if any, prior to tendering of the shares in the Delisting Offer. The Acquirers assume no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable.
- 23.4. If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Delisting Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.
- 23.5. In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Acquirers may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Acquirers by issuing an appropriate corrigendum in all the newspapers in which the PA has appeared.

### 24. CERTIFICATION BY THE BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of the Company hereby certifies that:

- 24.1. the Company has not raised any funds by issuance of securities during last five years preceding the date of this PA:
- 24.2. all material information which is required to be disclosed under the provisions of the continuous listing requirements under the relevant Listing Agreement have been disclosed to the BSE, as applicable;
- 24.3. the Company is in compliance with the applicable provisions of securities laws;
- 24.4. the Acquirers or the promoter or promoter group of the Company or their related entities have not carried out any transactions during the past two years to facilitate the success of the Delisting Offer which is not in compliance with the provisions of Regulation 4(5) of the Delisting Regulations; and
- 24.5. the Delisting Offer is in the interest of the Public Shareholders.

#### 25. COMPLIANCE OFFICER

25.1. The Compliance Officer of the Company is:

Mr. John Varughese

### **Bombay Swadeshi Stores Limited**

Western India House, Sir P M Road, Fort, Mumbai - 400 001, Maharashtra

Tel. No.: +91-22-4031 8888: Fax No.: +91-22-4031 8800:

Email: investor@bombaystore.com

25.2. In case Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares or on delisting process and procedure, they may address the same to the Registrar to the Offer or Manager to the Offer

#### 26. GENERAL DISCLAIMER

Every person who desires to participate in the Delisting Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirers, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with this Delisting Offer and tender their shares through OTB whether by reason of anything stated or omitted to be stated or any other reason whatsoever.

This PA is issued on behalf of the Acquirers by the Manager to the Offer:

MANAGER TO THE OFFER



### INGA CAPITAL PRIVATE LIMITED

Naman Midtown, 'A' Wing, 21st Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400 013.

Tel. No.: +91-22-4031 3489; Fax No.: +91-22-4031 3379

Contact Person: Mr. Ashwani Tandon; Email: delisting.bssl@ingacapital.com Website: www.ingacapital.com; SEBI Registration Number: MB/INM000010924

Sd/-Madhu Chandak Su/-Manjari Chandak

Jyoti Varun Kabra

Date: September 8, 2015

Place : Mumbai PRESSMAN