

LETTER OF OFFER**“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”**

This letter of offer (“**Letter of Offer**”/ “**LOF**”) is sent to you as a Public Shareholder (*as defined below*) of Jay Ushin Limited (“**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer / Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*) in the Target Company, please hand over the LOF and the accompanying Form of Acceptance (*as defined below*) to the member of stock exchange through whom the said sale was effected.

MINEBEA MITSUMI INC. (hereinafter referred to as “**Acquirer**”)

REGISTERED OFFICE: 4106-73, Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano, Japan 389-0293;
TEL: + 81 (0) 2673 22 2003; **FAX:** + 81 (0) 267 31 1350

along with

U-SHIN LTD. (hereinafter referred to as “**PAC**”)

REGISTERED OFFICE: 4106-73, Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano, Japan 389-0293;
TEL: +81 (0) 3 5539 6062; **FAX:** +81 (0) 3 3452-4680

MAKES A CASH OFFER TO ACQUIRE UP TO 1,004,770 (ONE MILLION FOUR THOUSAND SEVEN HUNDRED AND SEVENTY ONLY) FULLY PAID UP EQUITY SHARES OF INR 10 (INDIAN RUPEES TEN ONLY) EACH (“EQUITY SHARES”), REPRESENTING 26.00% OF THE FULLY DILUTED VOTING SHARE CAPITAL (AS DEFINED BELOW) OF THE TARGET COMPANY, AT A PRICE OF INR 589.94 (INDIAN RUPEES FIVE HUNDRED AND EIGHTY NINE AND NINETY FOUR PAISE ONLY) PER EQUITY SHARE, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED (“SEBI (SAST) REGULATIONS”), FROM THE PUBLIC SHAREHOLDERS OF

JAY USHIN LIMITED

A public limited company incorporated under the Companies Act, 1956

Corporate Identity Number (CIN): L52110DL1986PLC025118

Registered Office: GI-48, G T Karnal Road Industrial Area, Delhi - 110033;

Tel. No.: +91 (11) 4314 7700; **Fax:** +91 (124) 4623 403

Notes:

- This Open Offer (*as defined below*) is being made by the Acquirer and the PAC pursuant to and in compliance with Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations and other applicable regulations of the SEBI (SAST) Regulations.
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of SEBI (SAST) Regulations.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- As on the date of this LOF, to the best of the knowledge of the Acquirer and the PAC, there are no statutory approvals required to implement the Open Offer, save and except as set out in Paragraph 7.4 (*Statutory and other Approvals*) of this LOF. However, in case any further statutory or other approval becomes applicable prior to the completion of the Open Offer, the Open Offer would also be subject to such other statutory or other approval(s) being obtained.
- The Acquirer and the PAC shall complete all procedures relating to this Open Offer within 10 (Ten) Working Days (*as defined below*) from the date of closure of the Tendering Period (*as defined below*), including payment of consideration to those Public Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirer and the PAC.
- In case of delay in receipt of any statutory approval(s) mentioned in Paragraph 7.4 of this LOF or any other statutory approval(s) becoming applicable prior to completion of the Open Offer, SEBI has the power to grant extension of time to the Acquirer and the PAC for payment of consideration to the Public Shareholders of the Target Company who have accepted the Open Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirer and/ or the PAC in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the escrow account shall become liable to forfeiture. Provided where the statutory approvals extend to some but not all Public Shareholders, the Acquirer and/ or the PAC will 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.
- An upward revision to the Offer Price or to the Offer Size (*as defined below*), if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day prior to the commencement of the Tendering Period, i.e. any time up to July 29, 2020, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer and the PAC shall: (i) make corresponding increase to the escrow amount, as more particularly set out in Paragraph 6.2.8; (ii) make a public announcement in the same newspapers in which the DPS (*as defined below*) has been published; and (iii) simultaneously notify the Stock Exchange (*as defined below*), SEBI (*as defined below*) and the Target Company at its registered office of such revision. The same would be informed by way of an announcement in the same newspapers where the detailed public statement was published. The revised price payable pursuant to such revision of the Offer Price would be payable for all the Equity Shares validly tendered at any time during the Tendering Period and accepted under the Offer.
- The Acquirer and the PAC may withdraw the Offer in accordance with the condition specified in Paragraph 7.4.7 of this LOF. In the event of a withdrawal of the Offer, the Acquirer and the PAC (through the Manager) shall, within 2 (Two) Working Days (*as defined below*) of such withdrawal, make an announcement of such withdrawal, in the same newspapers in which the DPS (*as defined below*) had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such announcement will also be sent to SEBI (*as defined below*), Stock Exchange (*as defined below*) and the Target Company at its registered office.
- Public Shareholders classified as OCBs (*as defined below*), if any, may tender the Equity Shares held by them in the Open Offer pursuant to receipt of approval from the RBI (*as defined below*) under the Foreign Exchange Management Act, 1999 and the regulations made thereunder. Such OCBs shall approach the RBI independently to seek approval to tender the Equity Shares held by them in the Open Offer and submit such approvals along with the Form of Acceptance and other documents required to accept this Offer. Further, if the Public Shareholders who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs (*as defined below*)) had required any approvals (including from the RBI or any other regulatory authority/ body) at the time of the original investment in respect of the Equity Shares held by them currently, they will be required to submit such previous approvals that they would have obtained for acquiring/holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer and the PAC reserves the right to reject such Equity Shares tendered in this Offer.
- As per the information available with the Acquirer and the PAC, there is no competing offer as on the date of this LOF.**
- Copies of the Public Announcement (“**PA**”) and the Detailed Public Statement (“**DPS**”) are available and copies of the DLOF and the LOF (including Form of Acceptance) are expected to be available on the website of Securities and Exchange Board of India (“**SEBI**”) at <http://www.sebi.gov.in>.

All future correspondence should be addressed to the Manager to the Offer/ Registrar to the Offer at the addresses mentioned below:

| Manager to the offer | Registrar to the Offer |
|--|---|
|  <p>Ambit Capital Private Limited Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel: + 91 (22) 3043 3000; Fax: +91 (22) 3043 3100 Contact Person: Praveen Sangal / Gaurav Rana E-mail: jayushinopenoffer@ambit.co Website: www.ambit.co SEBI Registration Number: INM000012379 Validity Period: Permanent Registration</p> |  <p>Link Intime India Private Limited C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 Tel: + 91 (22) 4918 6170/6174/6200; Fax: + 91 (22) 4918 6195 Contact Person: Sumeet Deshpande Email: jayushin.offer@linkintime.co.in Website: www.linkintime.co.in SEBI Registration No.: INR000004058</p> |

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

| Activity | Original Schedule of Activities ⁽¹⁾ | | Revised schedule of activities | |
|---|--|-----------|--------------------------------|-----------|
| | Date | Day | Date | Day |
| Date of the PA | May 20, 2020 | Wednesday | May 20, 2020 | Wednesday |
| Date of publication of the DPS | May 28, 2020 | Thursday | May 28, 2020 | Thursday |
| Date of filing of the DLOF with SEBI | June 4, 2020 | Thursday | June 4, 2020 | Thursday |
| Last date for public announcement for competing offer(s) ⁽²⁾ | June 18, 2020 | Thursday | June 18, 2020 | Thursday |
| Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager) | June 25, 2020 | Thursday | July 15, 2020 ⁽³⁾ | Wednesday |
| Identified Date ⁽⁴⁾ | June 29, 2020 | Monday | July 17, 2020 | Friday |
| Last date by which the LOF is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date | July 6, 2020 | Monday | July 24, 2020 | Friday |
| Last date for upward revision of the Offer Price and/ or the size of the Open Offer | July 9, 2020 | Thursday | July 29, 2020 | Wednesday |
| Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Shareholders for this Open Offer | July 9, 2020 | Thursday | July 29, 2020 | Wednesday |
| Date of publication of opening of Open Offer public announcement in the newspapers in which the DPS has been published | July 10, 2020 | Friday | July 30, 2020 | Thursday |
| Date of commencement of the tendering period (“Offer Opening Date”) | July 13, 2020 | Monday | July 31, 2020 | Friday |
| Date of closure of the tendering period (“Offer Closing Date”) | July 24, 2020 | Friday | August 13, 2020 | Thursday |
| Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders | August 7, 2020 | Friday | August 27, 2020 | Thursday |
| Last date for publication of post-Open Offer public announcement in the newspapers in which the DPS has been published | August 14, 2020 | Friday | September 3, 2020 | Thursday |
| Last date for filing the post-Open Offer report with SEBI | August 14, 2020 | Friday | September 3, 2020 | Thursday |

(1) Dates as disclosed in the DLOF.

(2) There has been no competing offer as of the date of this LOF.

(3) Actual date of receipt of SEBI’s final observations on the DLOF.

(4) Identified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all Public Shareholders holding Equity Shares are eligible to participate in the Open Offer at any time before the Offer Closing Date, subject to the terms and conditions mentioned in the DPS and the LOF.

RISK FACTORS RELATING TO THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER AND THE PAC

For capitalized terms used herein, please refer to the section on Definitions set out below.

A. Relating to the Offer

- a. This Offer is an offer to acquire only up to 1,004,770 (one million, four thousand, seven hundred and seventy) Equity Shares, representing 26.00% (twenty six percent) of the Voting Share Capital. 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 Acquirer and the PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner. Accordingly, there is no assurance that all the Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted. The unaccepted Equity Shares will be returned to the Public Shareholders in accordance with the schedule of activities for the Open Offer.
- b. As on the date of this LOF, to the best of the knowledge of the Acquirer and the PAC, there are no statutory approvals required to implement the Open Offer, save and except as set out in Paragraph 7.4 (*Statutory and other Approvals*) of this LOF and those which become applicable prior to completion of the Open Offer. However, in case any further statutory or other approval becomes applicable prior to the completion of the Open Offer, the Open Offer would also be subject to such other statutory or other approval(s) being obtained. In the event of delay of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this LOF. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly tendered and accepted in this Offer, as well as the return of Equity Shares not validly tendered and accepted in this Offer, may be delayed. As per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not on account of any wilful default or negligence on the part of the Acquirer and/or the PAC, grant extension for the purpose of completion of this Open Offer subject to the Acquirer and the PAC agreeing to pay interest to the Public Shareholders, as may be specified by SEBI. Where the required statutory approvals apply to some but not all of the Public Shareholders, the Acquirer and the PAC will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer. Should any such statutory approvals be finally refused for reasons outside the reasonable control of the Acquirer and the PAC, the Acquirer and the PAC shall have the right to withdraw the Open Offer in terms of Regulation 23(1) of the SEBI (SAST) Regulations. In the event of a withdrawal of the Offer, the Acquirer and the PAC (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make a public announcement, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
- c. If, (i) there is any litigation (including the proceedings mentioned in Paragraph A.d. below), that leads to a stay on the Open Offer or restricts the Acquirer and/or the PAC from performing its obligations hereunder; or (ii) SEBI instructs the Acquirer and the PAC not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this LOF. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares have been accepted in this Open Offer as well as return of the Equity Shares not accepted by the Acquirer and the PAC may be delayed.
- d. As discussed in Paragraph 3.1.13 of this LOF, certain proceedings instituted by Ashwani Minda (Executive director, CEO and Managing Director of the Target Company) and the Target Company (collectively, “**Applicants**”) are underway before the arbitral tribunal constituted under the rules of the Japan Commercial Arbitration Association. Pursuant to final conclusion of these or other related proceedings, the arbitration tribunal, or any other appropriate authority, may pass an award/ order which may be binding on the Applicants, the Acquirer and/or the PAC. Such award/ order and the directions contained therein may be in favour of the Applicants, and may *inter alia* include:

- (i) a restriction on the Acquirer and the PAC from proceeding with this Open Offer; (ii) a restriction on the Acquirer and/or the PAC from exercising voting rights on the Equity Shares acquired under the Open Offer, or a portion thereof; or (iii) a requirement for the Acquirer and/or the PAC to reduce their shareholding in the Target Company, or a portion thereof. The Acquirer and the PAC, at this stage, are not in a position to ascertain the implications of any such award/ order on the Target Company, the stock price of the Target Company, or this Open Offer, and make no assurances in this regard.
- e. Equity Shares once tendered in the Open Offer cannot be withdrawn by the Public Shareholders, even in the event of a delay in the acceptance of Equity Shares under the Open Offer and / or the payment of consideration. The tendered Equity Shares and documents will be held in trust for the benefit of the Public Shareholders, who have tendered Equity Shares in the Open Offer, by the Clearing Corporation (*as defined below*) / Registrar to the Offer until such time the process of acceptance of tenders of Equity Shares under the Open Offer and the payment of consideration is completed. Once tendered, the Public Shareholders will not be able to trade in such Equity Shares. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. The Public Shareholders will be solely responsible for their decisions regarding participation in this Open Offer.
- f. Non-resident and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, the approval from the RBI since the Equity Shares in this Offer may be acquired by a non-resident entity along with the resident entity) and submit such approvals along with the Form of Acceptance and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or the PAC reserve the right to reject such Equity Shares tendered in this Offer. Further, if Public Shareholders who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approvals (including from the RBI or any other regulatory body) at the time of their original investment in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for acquiring/ holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or the relevant documents are not submitted, the Acquirer and/or the PAC reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under the general permission of the RBI, the non-resident Public Shareholders should state that the Equity Shares are held under such general permission. Further, NRIs, OCBs, and entities incorporated outside India and which are owned and controlled by NRIs should clarify whether the Equity Shares are held on a repatriable basis or non-repatriable basis.
- g. This LOF, together with the DPS and the PA in connection with the Offer has been prepared for the purposes of compliance with the applicable laws and regulations of India, including the SEBI Act and the SEBI (SAST) Regulations, and has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LOF who are resident in jurisdictions outside India should inform themselves of and comply with any applicable legal requirements. This Open Offer is not directed towards any person or entity in any jurisdiction where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, the PAC or the Manager to the Offer to any new or additional registration requirements.
- h. Public Shareholders are advised to consult their respective stockbroker, legal, financial, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in this Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirer. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Open Offer, or in respect of any 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 Acquirer, the PAC and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the LOF.
- i. The Acquirer, the PAC and the Manager to the Offer accept no responsibility for statements made

otherwise than in the PA, DPS, LOF, or in the advertisements or any corrigenda or any materials issued by or at the instance of the Acquirer, the PAC or the Manager to the Offer in relation to the Open Offer. Notwithstanding the above, the Acquirer, the PAC and the Manager to the Offer do not accept responsibility for the statements made and information with respect to the Target Company (which has been sourced from publicly available sources or from information published or provided by the Target Company), as set out in the PA, DPS, LOF, or in the advertisements or any corrigenda or any materials issued by or at the instance of the Acquirer, the PAC or the Manager to the Offer. Anyone placing reliance on any other sources of information (not released by the Acquirer or the PAC) would be doing so at his / her / its own risk.

B. Relating to Acquirer and the PAC

- a. The Acquirer, the PAC and Manager to the Offer make no assurance with respect to the continuation of the past trends in the financial performance or the future performance of the Target Company and disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Open Offer.
- b. The Acquirer, the PAC and Manager to the Offer make no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- c. The Acquirer, the PAC and Manager to the Offer do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon the completion of this Open Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Open Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- d. Upon completion of the acquisition of the Offer Shares, the shareholding of the Public Shareholders in the Target Company may fall below the minimum public shareholding requirement as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Acquirer and/ or the PAC have undertaken to ensure compliance with the minimum public shareholding requirements in such manner and timelines prescribed under applicable law. Any failure to comply with the conditions of aforesaid regulations could have an adverse effect on the price and tradability of the equity shares of the Target Company.
- e. None of the Acquirer, the PAC or the Manager will be responsible in any manner for any loss of Offer acceptance documents during transit.
- f. No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LOF shall be sent to all Public Shareholders whose names appear on the register of members of the Target Company, at their stated address, as of the Identified Date, subject to Regulation 18(2) of the SEBI (SAST) Regulations, viz. provided that where local laws or regulations of any jurisdiction outside India may expose the Acquirer, the PAC, the Manager to the Offer or the Target Company to material risk of civil, regulatory or criminal liabilities in the event the LOF in its final form were to be sent without material amendments or modifications into such jurisdiction, and the Public Shareholders resident in such jurisdiction hold Equity Shares entitling them to less than 5% (five percent) of the voting rights of the Target Company, the Acquirer / PAC may refrain from sending the LOF into such jurisdiction: provided further that, subject to applicable law, every person holding Equity Shares, regardless of whether he, she or it held Equity Shares on the Identified Date or has not received the LOF, shall be entitled to tender such Equity Shares in acceptance of the Offer.
- g. The information pertaining to the Target Company contained in the PA or DPS or LOF or any other advertisement/ publications made in connection with the Open Offer has been compiled from publicly available sources or from information published or provided by the Target Company. The Acquirer, the PAC and the Manager to the Offer do not accept any responsibility with respect to

any misstatement by the Target Company in relation to such information.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Open Offer or in association with the Acquirer and the PAC but are only indicative in nature. The risk factors set forth above pertain to the Open Offer and do not pertain to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by Public Shareholders in the Offer. Public Shareholders of the Target Company are advised to consult their stockbroker, tax advisors or investment consultant, for further risks with respect to their participation in the Open Offer.

DISCLAIMER FOR U.S. PERSONS

This Open Offer described in this LOF is not being made to, nor will tenders of shares be accepted from or on behalf of Public Shareholders of the Target Company in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this LOF are requested to inform themselves about and to observe any such restrictions.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES

This LOF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this LOF are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

In this LOF, all references to “Rupees” or “INR” are references to the Indian Rupee(s) (“**INR**”). Certain financial details contained in the LOF are denominated in Japanese Yen (“**JPY**”). The INR equivalent quoted in each case for JPY is calculated based on the reference rate of JPY 100 = INR 70.21 as on May 20, 2020 (Source: Financial Benchmarks India Private Limited) unless otherwise stated.

In this LOF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

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FORM OF ACCEPTANCE

1. DEFINITIONS

| | |
|----------------------------------|--|
| Acquirer | Minebea Mitsumi Inc. |
| BSE | BSE Limited |
| CDSL | Central Depository Services (India) Limited |
| Clearing Corporation | The Clearing Corporation of India Limited |
| Depositories | CDSL and NSDL |
| DLOF/ Draft Letter of Offer | The Draft Letter of Offer dated June 4, 2020 filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations |
| DPS/ Detailed Public Statement | Detailed public statement in connection with the Open Offer, published on behalf of the Acquirer and the PAC on May 28, 2020 in the newspapers mentioned in Paragraph 3.2.3 of this LOF |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DTAA | Double Taxation Avoidance Agreement |
| EPS | Earnings per share |
| Equity Share(s) | Fully paid-up equity shares of Target Company of face value of INR 10 each |
| Escrow Agreement | Escrow Agreement dated March 13, 2020 entered into between the Acquirer, Escrow Agent and Manager to the Offer |
| Escrow Agent | CITIBANK, N.A., acting through its office at Mumbai |
| FEMA | The Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended or modified from time to time |
| FII/FPI | Foreign Institutional Investor or Foreign Portfolio Investor as defined under FEMA |
| Form of Acceptance | Form of Acceptance-cum-Acknowledgement |
| GAAR | General Anti Avoidance Rules |
| Identified Date | Date for the purpose of determining the names of the shareholders as on such date to whom the LOF would be sent, i.e. July 17, 2020. |
| Income Tax Act | Income Tax Act, 1961 |
| JPY | Japanese Yen |
| LOF/ Letter of Offer | Letter of Offer dated July 20, 2020, duly incorporating SEBI's comments on the Draft Letter of Offer, and including the Form of Acceptance |
| Manager to the Offer/ Manager | Ambit Capital Private Limited |
| N.a. | Not available |
| NOC | No Objection Certificate |
| NRI | Non-Resident Indian as defined under FEMA |
| NSDL | National Securities Depository Limited |
| OCB(s) | Overseas Corporate Bodies |
| Offer or Open Offer | Open Offer for acquisition of up to 1,004,770 Equity Shares being 26.00% of Voting Share Capital of the Target Company at the Offer Price, payable in cash |
| Maximum Open Offer Consideration | The total funding requirement for this Offer, assuming full acceptance of this Offer, i.e. INR 592,754,013.80 (Indian Rupees five hundred and ninety two million seven hundred and fifty four thousand and thirteen and eighty paise only) |
| Offer Price | INR 589.94 (Indian Rupees five hundred and eighty nine and ninety four paise only) per Equity Share payable in cash |

| | |
|-------------------------|--|
| Offer Shares | Up to 1,004,770 (One million four thousand seven hundred and seventy only) Equity Shares |
| Offer Size | Up to 1,004,770 (One million four thousand seven hundred and seventy only) Equity Shares being 26.00% of the Voting Share Capital of the Target Company |
| Overseas Transaction | The Tender Offer and the Share Consolidation, collectively, as defined under Paragraphs 3.1.2 and 3.1.3. |
| PA/Public Announcement | Public announcement dated May 20, 2020 issued by the Manager on behalf of the Acquirer and the PAC, in connection with the Offer |
| PAC | U-Shin Ltd. |
| Public Shareholders | All the public shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, excluding the Acquirer, the PAC, the promoters and members of the promoter group of the Target Company, and other persons deemed to be acting in concert with the Acquirer and/or the PAC. |
| RBI | The Reserve Bank of India |
| Registrar to the Offer | Link Intime India Private Limited |
| Indian Rupees or INR | Indian Rupees |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto |
| SEBI (ICDR) Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and subsequent amendment thereto |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto |
| SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto |
| Stock Exchange | Stock exchange where the Equity Shares of the Target Company are listed, i.e., BSE Limited |
| STT | Securities Transaction Tax |
| Target Company | Jay Ushin Limited |
| Tendering Period | Period commencing from Friday, July 31, 2020 and closing on Thursday, August 13, 2020, both days inclusive |
| TRC | Tax Residence Certificate |
| TRS | Transaction Registration Slip |
| Voting Share Capital | 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 Open Offer. |
| Working Day | Working days of SEBI as defined in the SEBI (SAST) Regulations, in Mumbai |

Note: All capitalized terms used in this LOF and not specifically defined herein, shall have the meanings ascribed to them in the SEBI (SAST) Regulations.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER 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 REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF JAY USHIN LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER AND THE PAC OR THE TARGET COMPANY WHOSE 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 ACQUIRER AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PAC DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER - AMBIT CAPITAL PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 4, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.”

2.1. General Disclaimer

This LOF together with the PA dated May 20, 2020 and the DPS that was published on May 28, 2020 in connection with the Offer, has been prepared for the purposes of compliance with the applicable laws and regulations of the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the delivery of this LOF and/or the LOF, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirer and the PAC, since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirer or any persons deemed to act in concert with the Acquirer are under any obligations to update the information contained herein at any time after this date.

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

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

3. DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1. The Open Offer is a mandatory offer being made in compliance with Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations pursuant to the Overseas Transaction undertaken by the Acquirer, as detailed herein below.

- 3.1.2. The board of directors of the Acquirer, at their meeting held on November 7, 2018, resolved to undertake a tender offer to acquire all of the issued shares of the common stock in the PAC for the purpose of acquiring the PAC as a wholly-owned subsidiary of the Acquirer, under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948) (“**Tender Offer**”). In this regard, an announcement was made by the Acquirer on November 7, 2018. As part of the Tender Offer, the Acquirer acquired 25,223,984 shares of the PAC during the period from February 15, 2019 to April 10, 2019. As on April 17, 2019, the Acquirer held 25,224,084 shares of the PAC constituting 76.16% of the total voting rights in the PAC.
- 3.1.3. Thereafter, pursuant to the receipt of requisite approvals from the board of directors and the shareholders of the PAC, the PAC undertook a share consolidation, in accordance with the laws of Japan, whereby 8,279,748 shares of the PAC were consolidated to 1 (one) share (“**Share Consolidation**”), in order to make the Acquirer the sole shareholder of the PAC and make the PAC a wholly-owned subsidiary of the Acquirer, as of August 7, 2019.
- (The Tender Offer and the Share Consolidation, to be collectively referred to as the “**Overseas Transaction**”).
- 3.1.4. Prior to the Overseas Transaction, the Acquirer did not directly/ indirectly hold any Equity Shares, voting rights or control in the Target Company. As a consequence of the Overseas Transaction, the Acquirer has acquired 100% (one hundred percent) of the issued shares of the common stock in the PAC. The PAC in turn holds 1,004,645 (one million four thousand six hundred forty five) Equity Shares of the Target Company constituting 26% (twenty six percent) of its Voting Share Capital. Further, the PAC is a promoter of the Target Company. Accordingly, pursuant to the completion of the Overseas Transaction, the Acquirer is entitled to: (i) indirectly exercise voting rights over 26% (twenty six percent) of Voting Share Capital associated to the 1,004,645 (one million four thousand six hundred forty five) Equity Shares held by the PAC; and (ii) indirectly exercise joint control over the Target Company.
- 3.1.5. As a result, this Open Offer is being made to the Public Shareholders of the Target Company in accordance with Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations.
- 3.1.6. The indirect acquisition of voting rights in and control by the Acquirer over the Target Company is not through any scheme of arrangement under Indian laws.
- 3.1.7. The Acquirer and/or the PAC has not been prohibited by SEBI from dealing in securities pursuant to any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act. Further, as on the date of this LOF, there are no directions subsisting or proceedings pending under the SEBI Act and the regulations made thereunder against the Acquirer, the PAC or the Manager.
- 3.1.8. As on the date of this LOF, there are no directors appointed by the Acquirer or the PAC on the board of directors of the Target Company, and no directors of the Acquirer or the PAC are on the board of directors of the Target Company. As of the date of this LOF, the Acquirer and the PAC have not made any decision with regard to the appointment of directors on the board of directors of the Target Company.
- 3.1.9. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the board of directors of the Target Company is required to constitute a committee of independent directors, to provide its written reasoned recommendation on the Open Offer, to the Public Shareholders of the Target Company and such recommendation shall be published at least 2 (two) Working Days before the commencement of the Tendering Period, in the same newspapers where the DPS was published.
- 3.1.10. The Manager declares and undertakes not to deal, on their own account, in the Equity Shares during the Open Offer period.

- 3.1.11. Pursuant to completion of this Offer, if the shareholding of the Public Shareholders in the Target Company is below the minimum public shareholding requirement as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Acquirer and/or the PAC will ensure compliance with the minimum public shareholding requirements in such manner and timelines prescribed under applicable law.
- 3.1.12. The Acquirer has made the required escrow arrangement for this Offer in accordance with Regulation 17 of the SEBI (SAST) Regulations. In accordance with Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirer has made firm financial arrangements in order to fulfill the payment obligations under this Offer. Please see Paragraph 6.2 (*Financial Arrangements*) below for details.
- 3.1.13. Under the provisions of the JVA, Ashwani Minda (Executive director, CEO and Managing Director of the Target Company) and the Target Company (collectively, “**Applicants**”) instituted arbitration proceedings against the Acquirer and the PAC under the rules of the Japan Commercial Arbitration Association (“**JCAA**”) and filed an application for interim measures before the Delhi High Court (“**DHC**”). Further details of the Applicants’ actions are as follows:
- (i) On March 13, 2020, the Applicants filed an application for emergency measures under the rules of the JCAA, alleging *inter alia* that the Overseas Transaction was undertaken in breach of certain provisions of the JVA, and sought *inter alia* the following emergency reliefs: (a) order restraining the Acquirer and the PAC from proceeding with the Open Offer; (b) in the alternative, order restraining the Acquirer and the PAC from exercising their rights as shareholders, in respect of Equity Shares acquired in the Open Offer; and (c) in the alternative, an order requiring the transfer of the Equity Shares acquired in the Open Offer to Ashwani Minda at the prevailing market price during August 2019. The emergency arbitrator who was appointed by the JCAA, passed an order in regard to the emergency arbitration on April 2, 2020 (“**Emergency Arbitration Order**”), rejecting all reliefs sought by the Applicants and directed the Applicants to pay the costs, fees and expenses incurred by the Acquirer and the PAC.
 - (ii) On March 23, 2020, during the emergency arbitration proceedings mentioned in (i) above, the Applicants also commenced the arbitration under the JVA, by submitting a request for arbitration, seeking *inter alia* similar interim reliefs as sought in the emergency arbitration as well as final reliefs. The proceedings in regard to the arbitration are underway before the arbitral tribunal constituted under the rules of the JCAA.
 - (iii) Meanwhile, aggrieved by the Emergency Arbitration Order, the Applicants further filed an application for interim measures before the DHC on April 13, 2020 seeking similar interim reliefs as sought in the emergency arbitration. The DHC passed an order on May 12, 2020 (“**DHC Order**”), finding that the application was not maintainable and dismissed the application.
 - (iv) Aggrieved by the DHC Order, the Applicants have preferred an appeal on May 21, 2020 against the DHC Order before a division bench of the DHC (“**DHC Appeal**”). The division bench of the DHC passed an order in regard to the DHC Appeal on July 7, 2020, whereby they *inter alia* disposed the DHC Appeal and affirmed the DHC Order.
- 3.1.14. SEBI may initiate appropriate action against the Acquirer/ PAC/ other promoters of the Target Company/ Target Company in terms of the SEBI (SAST) Regulations and in terms of the provisions of the SEBI Act for non-compliances / delayed compliances, if any, of the applicable regulations notified by SEBI.

3.2. **Details of the proposed Offer**

- 3.2.1. The Acquirer and the PAC are making this Open Offer to all Public Shareholders of the Target Company to acquire up to 1,004,770 (One million four thousand seven hundred and seventy

only) Equity Shares constituting 26.00% (Twenty six percent) of the Voting Share Capital of the Target Company at an offer price of INR 589.94 (Indian Rupees five hundred and eighty nine and ninety four paise only) per Offer Share, payable in cash, which is determined in accordance with Regulation 8(3) of the SEBI (SAST) Regulations, aggregating to a maximum consideration of INR 592,754,013.80 (Indian Rupees five hundred and ninety two million seven hundred and fifty four thousand and thirteen and eighty paise only) (“**Maximum Open Offer Consideration**”).

- 3.2.2. The Offer Price is the sum of: (i) the price arrived at in accordance with Regulation 8(1) and 8(3) of the SEBI (SAST) Regulations, i.e. INR 510.44 (Indian Rupees five hundred and ten and forty four paise only); and (ii) the enhancement amount of INR 79.50 (Indian Rupees seventy nine and fifty paise only), i.e. an amount equal to a sum determined at the rate of 10% (ten per cent) per annum for the period between the date on which the intention or the decision of the overseas transaction was announced in the public domain i.e. November 7, 2018, and the date of publication of the DPS, in compliance with the Regulation 8(12) of SEBI (SAST) Regulations.
- 3.2.3. The PA announcing the Open Offer, under Regulations 3(1), 4 and 5(1) read with Regulation 15(1) of the SEBI (SAST) Regulations, was made on May 20, 2020 to the Stock Exchange and a copy thereof was also filed with SEBI and sent to the Target Company at its registered office. In accordance with Regulation 14(3) of SEBI (SAST) Regulations, the DPS was published in the following newspapers on May 28, 2020:

| Newspapers | Language | Editions |
|-------------------|----------|--------------|
| Business Standard | English | All Editions |
| Business Standard | Hindi | All Editions |
| Business Standard | Hindi | New Delhi |
| Navshakti | Marathi | Mumbai |

(The PA and DPS are available on the website of SEBI at <http://www.sebi.gov.in>)

The DPS was also submitted to SEBI and the Stock Exchanges and sent to the Target Company on March 28, 2020.

- 3.2.4. The Offer Price will be payable in cash by the Acquirer and the PAC, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 3.2.5. As of the date of this LOF, there are no: (i) partly paid-up Equity Shares; or (ii) outstanding convertible instruments (warrants / fully convertible debentures / partially convertible debentures/ fully or partly convertible preference shares) issued by the Target Company.
- 3.2.6. There is no differential pricing for this Offer.
- 3.2.7. This Open Offer is not a competing offer and there is no competing offer as on the date of this LOF in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 3.2.8. This Offer is not conditional upon any minimum level of acceptance from the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI (SAST) Regulations. All Equity Shares validly tendered by the Public Shareholders will be accepted at the Offer Price in accordance with the terms and conditions contained in the DPS and the LOF. The Equity Shares to be acquired under the Open Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared from now on and hereafter. If the number of Equity Shares validly tendered by the Public Shareholders under the Open Offer is more than the Offer Size, the Acquirer and/or the PAC shall accept the Equity Shares received from the Public Shareholders on a proportionate basis in consultation with the Manager.
- 3.2.9. The Open Offer has been triggered by an indirect acquisition, which cannot be deemed to be a direct acquisition as it does not fall within the parameters prescribed under Regulation 5(2) of

the SEBI (SAST) Regulations, as certified by Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459), *vide* its certificate dated May 20, 2020.

3.2.10. As on the date of this LOF, to the best of the knowledge of the Acquirer and the PAC, there are no statutory approvals required to implement the Open Offer, save and except as set out in Paragraph 7.4 (*Statutory and other Approvals*) of this LOF. However, in case any further statutory or other approval becomes applicable prior to the completion of the Open Offer, the Open Offer would also be subject to such other statutory or other approval(s) being obtained. Provided that where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer and/or the PAC will have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

3.2.11. The Acquirer and/or the PAC has not acquired any Equity Shares of the Target Company after the date of PA, i.e. May 20, 2020 and up to the date of this LOF.

3.3. Object of the acquisition/Offer

3.3.1. The Acquirer has undertaken the aforesaid Overseas Transaction in order to achieve a major business expansion in the vehicle components market as product development across the Acquirer's group will benefit *inter alia* from: (i) the PAC's extensive experience in trading with automotive manufacturers and its wealth of knowledge of design concepts; and (ii) the PAC's business model optimized as a Tier 1 manufacturer, i.e. an automotive components manufacturer which directly supplies components to automotive manufacturers. Further, the Acquirer *inter alia* expects the following synergy effects: (iii) strengthening of automotive related business of both the Acquirer and the PAC; and (iv) accelerated creation of new business opportunities pursuant to cross selling activities between the sales networks of the Acquirer and the PAC.

3.3.2. The completion of Overseas Transaction, which has resulted in an indirect acquisition of substantial voting rights and control by the Acquirer in the Target Company, has triggered this Open Offer under the SEBI (SAST) Regulations.

3.3.3. As on the date of this LOF, the Acquirer and the PAC intend to continue the existing business of the Target Company.

3.3.4. Currently, the Acquirer and the PAC do not have any intention to dispose of or otherwise encumber any material assets or investments of the Target Company or any of its subsidiaries, by way of sale, lease, encumbrance, reconstruction, restructuring or otherwise for a period of 2 (Two) years from the closure of this Open Offer except: (i) in the ordinary course of business; and (ii) 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 its subsidiaries.

3.3.5. Other than the above, if the Acquirer and/ or the PAC intends to alienate any material asset of the Target Company or its subsidiaries, within a period of 2 years from completion of the Open Offer, the Target Company shall seek the approval of its shareholders as per the proviso to Regulation 25(2) of SEBI (SAST) Regulations before undertaking any such alienation.

4. BACKGROUND OF THE ACQUIRER AND THE PAC

4.1. Minebea Mitsumi Inc. ("Acquirer")

4.1.1. The Acquirer is a public limited company incorporated on July 16, 1951 under the laws of Japan (Company registration number 1000-01-007753). The Acquirer was incorporated under the name "Nippon Miniature Bearing Co., Ltd.". Subsequently, the Acquirer changed its name to "Minebea Co., Ltd." in October 1981, and then, pursuant to the implementation of a business integration with Mitsumi Electric Co, Ltd., changed its name to "Minebea Mitsumi Inc." with effect from January 27, 2017. The registered office of the Acquirer is located at 4106-73, Oaza

Miyota, Miyota-machi, Kitasaku-gun, Nagano, Japan 389-0293. The telephone number of the Acquirer is +81 (0) 2673222003.

- 4.1.2. The Acquirer is principally involved in the manufacture and sale of products such as: (i) machinery components such as ball bearings, rod-end bearings, hard disk drive pivot assemblies, aircraft screws; (ii) electric and electronic devices and components such as backlights for liquid crystals, hard disk drive spindle motors, stepping motors, DC motors, precision motors, air movers; and (iii) semiconductor devices, optical devices, mechanism components, high frequency devices, and power components.
- 4.1.3. The Acquirer is part of Minebea Mitsumi Group. Save and except for the PAC, no other person is acting in concert with the Acquirer for the purpose of this Open Offer. Some entities or persons may be deemed to be acting in concert with the Acquirer in terms of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations. However, neither such entities or persons nor any other entities or persons are acting in concert with the Acquirer for the purpose of this Open Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 4.1.4. The Acquirer is a publicly listed company with dispersed shareholding. The Acquirer does not have a promoter and there is no person or entity which exercises control over the Acquirer. The details of the substantial shareholders of the Acquirer as on March 31, 2020 are as follows:

| S.No | Name of the Shareholder | Percentage |
|------|--|------------|
| 1. | The Master Trust Bank of Japan, Ltd. (Trust Account) | 10.02% |
| 2. | Japan Trustee Services Bank, Ltd. (Trust Account) | 5.60% |

Note: There are no other shareholders holding more than 5% in the Acquirer.

- 4.1.5. The ordinary shares of the Acquirer are listed on the Tokyo Stock Exchange and the Nagoya Stock Exchange. Further, the American depository receipts of the Acquirer are listed on the U.S. Over-the-Counter (OTC) Market. The shares of the Acquirer are not listed on any stock exchange in India.
- 4.1.6. As on the date of this LOF, the Acquirer has not been prohibited by SEBI from dealing in securities pursuant to any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.1.7. Names, details of experience, qualifications, and date of appointment of the directors on the board of directors of the Acquirer, as on the date of this LOF, are as follows:

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|-------------------|---|--|---|
| Yoshihisa Kainuma | Representative Director, Chairman & President (CEO & COO) | <p>Yoshihisa Kainuma is currently the Representative Director, Chairman & President (CEO & COO) of the Acquirer.</p> <p>He joined the Acquirer as a Director, General Manager of the legal department, in December 1988. He held several positions at the Acquirer before being appointed as its Representative Director, President and Chief Executive Officer in April 2009. He further became the Chief Operating Officer of the Acquirer effective from June 2017. Mr Kainuma is also the Representative Director, Chairman of the Board of Directors, of the PAC, effective from August 2019.</p> <p>Mr Kainuma graduated from Keio University with a bachelor's degree in law in 1978 and a post graduate degree in law from Harvard Law School in 1987. He is a member of the Daini Tokyo Bar Association (registered in 1983) and a member of New York State Bar Association (registered in 1989).</p> | June 26, 2020 |

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|-----------------|---|--|---|
| Shigeru Moribe | Representative Director, Vice Chairman | <p>Shigeru Moribe is currently the Representative Director, Vice Chairman of the Acquirer.</p> <p>Prior to joining the Acquirer, he had joined MITSUMI ELECTRIC CO., LTD. (currently a wholly owned subsidiary of the Acquirer) (“Mitsumi”) in March 1980, and held several positions at Mitsumi before being appointed as Mitsumi’s Representative Director, President, in April 2002. He became the chairman of the board of directors of Mitsumi in April 2017.</p> <p>Mr Moribe graduated from Seijo University with a bachelor’s degree in economics in 1980.</p> | June 26, 2020 |
| Ryozo Iwaya | Director, Vice President Executive Officer | <p>Ryozo Iwaya is currently the Director, Vice President Executive Officer of the Acquirer.</p> <p>He joined the Acquirer in April 1981 and held several positions, before being appointed as its Director, Senior Managing Executive Officer in June 2015. He was further appointed as the Chief of Electronic Device & Component Manufacturing Headquarters of the Acquirer in June 2017. Mr Iwaya is also the Representative Director, President and Chief Executive Officer, of Mitsumi, and a director of the PAC.</p> <p>Mr Iwaya graduated from Komazawa University with a bachelor’s degree in economics in 1981.</p> | June 26, 2020 |
| Tetsuya Tsuruta | Director, Managing Officer Senior Executive | <p>Tetsuya Tsuruta is currently a Director, Senior Managing Executive Officer of the Acquirer.</p> <p>He joined the Acquirer in April 1981 and held several positions, before being appointed as its Director, Senior Managing Executive Officer in June 2016. He was further appointed as the Deputy Chief of Sales Headquarters of the Acquirer in May 2018.</p> <p>Mr Tsuruta graduated from Toyo University with a bachelor’s degree in engineering in 1981.</p> | June 26, 2020 |
| Shigeru None | Director, Managing Officer Senior Executive | <p>Shigeru None is currently a Director, Senior Managing Executive Officer of the Acquirer.</p> <p>He joined the Acquirer in April 1982 and held several positions, before being appointed as a director in June 2015. He was further appointed as a Senior Managing Executive Officer in June 2016 and Chief of Sales Headquarters in May 2018.</p> <p>Mr None graduated from Seijo University with a bachelor’s degree in literature and arts in 1982.</p> | June 26, 2020 |
| Michiya Kagami | Director, Managing Officer Senior Executive | <p>Michiya Kagami is currently a Director, Senior Managing Executive Officer of the Acquirer.</p> <p>He joined the Acquirer in January 1989 and held several positions, before being appointed as the Director, Chief of Engineering Headquarters in June 2017 and a Senior Managing Executive Officer in May 2018. He was further appointed as the Officer in charge of Engineering Development Division at Electronic Device & Component Manufacturing Headquarters in August 2015.</p> <p>Mr Kagami graduated from Tokyo City University (formerly known as Musashi Institute of Technology) with a bachelor’s degree in engineering in 1981.</p> | June 26, 2020 |

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|-------------------|---|--|---|
| Katsuhiko Yoshida | Director, Senior Managing Executive Officer | <p>Katsuhiko Yoshida is currently a Director, Senior Managing Executive Officer of the Acquirer.</p> <p>He joined the Acquirer in April 1984 and held several positions such as General Manager of Cambodia Business Promotion Office (2010), and Head of Operation Department at Electronic Device & Component Manufacturing Headquarters (2013). He was appointed as a Senior Managing Executive Officer in October 2019 and as Director in June 2020. He also holds the following positions at the Acquirer: (i) Chief of Tokyo Head Office; (ii) Officer in charge of Business Administration and Corporate Planning Division; and (iii) Officer in charge of Sustainability Management Division. He is also Director, Vice President and Executive Officer of MITSUMI ELECTRIC CO., LTD., and a director of the PAC.</p> <p>Katsuhiko Yoshida graduated from Chuo University with a bachelor's degree in economics in 1984.</p> | June 26, 2020 |
| Hiroshi Aso | Director, Managing Executive Officer | <p>Hiroshi Aso is currently a Director, Managing Executive Officer of the Acquirer.</p> <p>Prior to joining the Acquirer, he had joined Mitsumi in March 1981, and held several positions at Mitsumi before being appointed as Mitsumi's Director, Managing Executive Officer in April 2016. He was further appointed as Adviser, Deputy Chief of Mitsumi Business Headquarters and Officer in charge of Engineering Development Division at Mitsumi in January 2017. Mr Aso, after joining the Acquirer as a Director, Managing Executive Officer in June 2017, was further appointed as the officer in charge of IoT Business Development Department in September 2018.</p> <p>Mr Aso graduated from Doshisha University with a bachelor's degree in engineering in 1981.</p> | June 26, 2020 |
| Kohshi Murakami | Outside Director (Independent directors based on the rules of the Tokyo Stock Exchange) | <p>Kohshi Murakami is currently an Outside Director of the Acquirer. He is also a member of the Independent Committee of the Acquirer since May 2008.</p> <p>Prior to joining the Acquirer, he was an Assistant Judge of the Tokyo District Court from April 1967 and Presiding Justice of the Division (Acting Chief Justice, Specialized Economic and Financial Affairs Department) of the Tokyo High Court from April 1999. He was also a professor at the Graduate School of Law, Kyoto University, visiting professor at the Yokohama National University, and a professor at the Juris Doctor Program, Daito Bunka University. Further, he is currently an Advisor Attorney at TMI Associates, Japan.</p> <p>Mr Murakami graduated from Kyoto University with a bachelor's degree in law in 1963 and Kyoto University Graduate School with a post graduate degree in law in 1965.</p> | June 26, 2020 |
| Atsuko Matsumura | Outside Director (Independent directors based on the rules of the Tokyo Stock Exchange) | <p>Atsuko Matsumura is currently an Outside Director of the Acquirer.</p> <p>Prior to joining the Acquirer, she has worked at: (i) the Japan Center for Economic Research; (ii) Economic and Social Research Institute, Japan (formerly known as the Economic Research Institute, Economic Planning Agency) as a visiting research fellow; (iii) Jissen Women's Junior College as a part-time lecturer (1987-</p> | June 26, 2020 |

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|------------------|---|--|---|
| | | <p>1988); (iv) Otsuma Women’s University as a full-time lecturer (1988-1991); and (iv) Tokyo International University as a full-time lecturer and associate professor (1991-2006). She is presently: (i) a Professor, Faculty of Economics, Tokyo International University (from April 2006); (ii) Part-time Lecturer, Department of Social and Family Economy, Faculty of Human Sciences and Design, Japan Women’s University (from April 2010); and (iii) Part-time Lecturer, Department of Politics, Faculty of Law, Keio University (from April 2015). She is also an outside director of Glosel Co., Ltd (formerly known as Renesas Easton Co., Ltd.) from June 2016.</p> <p>Ms Matsumura graduated from Graduate School of Economics, Keio University with a masters degree in 1983, and she became a PhD. candidate in Graduate School of Economics, Keio University in 1986.</p> | |
| Yuko Haga | Outside Director (Independent director based on the rules of the Tokyo Stock Exchange) | <p>Yuko Haga is currently an outside director of the Acquirer.</p> <p>Prior to joining the Acquirer, she worked at: (i) Price Waterhouse Consultants, Tokyo, as a senior consultant (1989- 1991); (ii) Sampo Japan Healthcare Services Inc. as an executive officer (2008 - 2009); (iii) Department of Policy Management, Faculty of Policy Management, Shobi University as a visiting professor (2010 - 2017); and (iv) Graduate School of Management, NUCB Business School as an associate professor (2017-2020). Further, she is presently: (i) Representative, Haga Management Consulting Office (from April 1991); (ii) Director, Social Welfare Corporation Fujikenikukai (from February 2010); (iii) Board Member, Non-Profit Organization Japan Abilities Association (from June 2017); and (iv) Professor, Graduate School of Management, NUCB Business School (from April 2020). She is presently also an outside director of Kyowa Kirin Co., Ltd. (formerly known as Kyowa Hakko Kirin Co., Ltd.) from March 2019.</p> <p>Ms Haga graduated from Keio University with a bachelor’s degree in literature in 1978, and with an MBA in 1989, and acquired a PhD in business from the University of Tsukuba in 2019.</p> | June 26, 2020 |
| Takashi Matsuoka | Outside Director (Independent directors based on the rules of the Tokyo Stock Exchange) | <p>Takashi Matsuoka is currently an Outside Director of the Acquirer.</p> <p>Outside the Acquirer, he joined Keiaisha Co., Ltd. In April 2003, and held several positions, before being appointed as the Director, Vice President Executive Officer in June 2014.</p> <p>Mr Matsuoka graduated from Keio University with a bachelors degree in law in 1986.</p> | June 26, 2020 |

4.1.8. As on the date of this LOF, there are no directors representing the Acquirer on the board of the Target Company. The Acquirer, its directors and key managerial employees do not have any shareholding or interest in the Target Company, except for the 1,004,645 (one million four thousand six hundred forty five) Equity Shares constituting 26.00% (twenty six percent) of the Voting Share Capital held by the Acquirer’s wholly owned subsidiary, i.e. the PAC.

4.1.9. Neither the Acquirer nor any of its directors or key managerial employees have been categorized or declared: (i) 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; or (ii) a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

4.1.10. The key financial information of the Acquirer based on its audited consolidated financial statements as of and for the financial years ended March 31, 2017, March 31, 2018, and March 31, 2019, audited by the independent statutory auditor of the Acquirer, and the consolidated financial statements for the nine month period ended December 31, 2019, which has been subject to limited review by the independent statutory auditor of the Acquirer, is as set out below:

| Profit & Loss Statement | As at and for nine months ended December 31, 2019 ⁽¹⁾ | | As at and for financial year ended March 31, 2019 ⁽¹⁾ | | As at and for financial year ended March 31, 2018 ⁽²⁾ | | As at and for financial year ended March 31, 2017 ⁽²⁾ | | |
|--|--|---------|--|---------|--|---------|--|---------|---------|
| | (Million) | INR | JPY | INR | JPY | INR | JPY | INR | JPY |
| Income from operations ⁽³⁾ | | 527,662 | 751,548 | 621,164 | 884,723 | 617,243 | 879,139 | 448,590 | 638,926 |
| Other Income ⁽⁴⁾ | | 2,917 | 4,155 | 2,565 | 3,653 | 1,996 | 2,843 | 1,309 | 1,864 |
| Total Income | | 530,579 | 755,703 | 623,729 | 888,376 | 619,240 | 881,982 | 449,899 | 640,790 |
| Total Expenditure ⁽⁵⁾ | | 472,982 | 673,668 | 546,854 | 778,884 | 540,911 | 770,419 | 394,758 | 562,253 |
| Profit Before Depreciation & Amortization, Interest and Tax ⁽⁶⁾ | | 57,597 | 82,035 | 76,874 | 109,492 | 78,326 | 111,560 | 55,138 | 78,533 |
| Depreciation and Amortization | | 24,646 | 35,103 | 25,555 | 36,398 | 23,058 | 32,841 | 20,546 | 29,263 |
| Interest ⁽⁷⁾ | | 1,018 | 1,450 | 1,540 | 2,194 | 479 | 682 | 616 | 878 |
| PBT before Extraordinary Gain / (Loss) | | 31,933 | 45,482 | 49,779 | 70,900 | 54,790 | 78,038 | 33,977 | 48,393 |
| Extraordinary Gain / (Loss) ⁽⁸⁾ | | 410 | 584 | 296 | 421 | (4,780) | (6,808) | 56 | 80 |
| PBT after Extraordinary Gain / (Loss) | | 32,343 | 46,066 | 50,074 | 71,321 | 50,011 | 71,230 | 34,033 | 48,473 |
| Provision for Tax | | 7,028 | 10,010 | 7,456 | 10,619 | 8,025 | 11,430 | 4,895 | 6,972 |
| Profit After Tax | | 25,315 | 36,056 | 42,619 | 60,702 | 41,985 | 59,799 | 29,137 | 41,500 |
| Non-controlling interests | | 598 | 852 | 393 | 560 | 293 | 417 | 249 | 354 |
| Profit(loss) attributable to owners of parent | | 24,717 | 35,204 | 42,226 | 60,142 | 41,692 | 59,382 | 28,889 | 41,146 |

| Balance Sheet Statement | As at and for nine months ended December 31, 2019 ⁽¹⁾ | | As at and for financial year ended FY 2019 ⁽¹⁾ | | As at and for financial year ended FY 2018 ⁽²⁾ | | As at and for financial year ended FY 2017 ⁽²⁾ | |
|--|--|----------------|---|----------------|---|----------------|---|----------------|
| | INR | JPY | INR | JPY | INR | JPY | INR | JPY |
| (Million) | | | | | | | | |
| Sources of funds | | | | | | | | |
| Paid up share capital ⁽⁹⁾ | 47,925 | 68,259 | 47,925 | 68,259 | 47,924 | 68,258 | 47,924 | 68,258 |
| Reserves and Surplus ⁽¹⁰⁾ | 244,958 | 348,893 | 230,110 | 327,745 | 246,645 | 351,296 | 215,991 | 307,636 |
| Accumulated other comprehensive income ⁽¹¹⁾ | 8,264 | 11,771 | 7,903 | 11,256 | (32,509) | (46,303) | (34,880) | (49,679) |
| Net worth | 301,147 | 428,923 | 285,937 | 407,260 | 262,061 | 373,253 | 229,038 | 326,218 |
| Secured loans ⁽¹²⁾ | 32 | 45 | 126 | 179 | 251 | 357 | 376 | 536 |
| Unsecured loans ⁽¹³⁾ | 98,807 | 140,731 | 56,420 | 80,359 | 53,584 | 76,320 | 67,330 | 95,898 |
| Other Non-Current Liabilities ⁽¹⁴⁾ | 17,817 | 25,377 | 13,244 | 18,864 | 15,239 | 21,705 | 14,412 | 20,527 |
| Total | 417,803 | 595,076 | 355,727 | 506,662 | 331,135 | 471,635 | 311,156 | 443,179 |
| Uses of funds | | | | | | | | |
| Net fixed assets ⁽¹⁵⁾ | 221,605 | 315,631 | 183,983 | 262,047 | 168,698 | 240,277 | 149,538 | 212,987 |
| Investments ⁽¹⁶⁾ | 16,204 | 23,080 | 10,275 | 14,635 | 5,969 | 8,501 | 6,213 | 8,849 |
| Other Non-Current Assets ⁽¹⁷⁾ | 17,232 | 24,544 | 13,965 | 19,891 | 10,779 | 15,353 | 11,163 | 15,900 |
| Net current assets ⁽¹⁸⁾ | 162,762 | 231,821 | 147,503 | 210,089 | 145,689 | 207,504 | 144,244 | 205,446 |
| Total | 417,803 | 595,076 | 355,727 | 506,662 | 331,135 | 471,635 | 311,158 | 443,182 |

| Other Financial Data | As at and for nine months ended December 31, 2019 ⁽¹⁾ | | As at and for financial year ended FY 2019 ⁽¹⁾ | | As at and for financial year ended FY 2018 ⁽²⁾ | | As at and for financial year ended FY 2017 ⁽²⁾ | |
|--|--|-------|---|--------|---|--------|---|--------|
| | INR | JPY | INR | JPY | INR | JPY | INR | JPY |
| Basic Earnings Per Share ⁽¹⁹⁾ | 59.55 | 84.81 | 101.03 | 143.90 | 99.09 | 141.14 | 75.36 | 107.33 |
| Diluted Earnings Per Share ⁽²⁰⁾ | 58.25 | 82.97 | 98.82 | 140.75 | 96.75 | 137.80 | 74.17 | 105.64 |
| Dividend per share | 10 | 14 | 20 | 28 | 18 | 26 | 10 | 14 |
| Dividends payout ratio (%) | 16.5% | 16.5% | 19.5% | 19.5% | 18.4% | 18.4% | 13.0% | 13.0% |
| Book value per share | 726 | 1,033 | 684 | 974 | 623 | 887 | 597 | 851 |

Since the financial statements of the Acquirer are prepared in JPY, the functional currency of the Acquirer, they have been converted into INR for the purpose of convenience of translation. JPY to INR conversion has been assumed at a rate of JPY 100 = INR 70.21 as on May 20, 2020 (Source: Financial Benchmarks India Private Limited).

Notes:

- (1) The financial statements as of and for the financial year ended March 31, 2019 and the nine month period ended December 31, 2019 have been prepared in accordance with the applicable accounting standards notified under the International Financial Reporting Standards.
- (2) The financial statements as of and for the financial years ended March 31, 2017 and March 31, 2018 have been prepared in accordance with the applicable accounting standards notified under the Japanese Generally Accepted Accounting Principles.
- (3) Represents net sales on the respective consolidated statement of income.
- (4) Represents Interest income, Dividends income, Rent income, Dividends from insurance, Finance income & Other.
- (5) Represents cost of sales, Selling, general and administration expenses and other expenses (Foreign exchange losses, share of loss of entities & Others) excluding depreciation and amortization.
- (6) Profit before Depreciation & Amortization, Interest and tax.
- (7) Interest comprises of Interest expenses/ Finance expenses.
- (8) Extraordinary Gain / (Loss) represents net of gains on sales of fixed assets, sales of investment securities, sales of affiliates, bargain purchase, extinguishment of tie-in shares, reversal of subscription rights to shares and Reversal of provision for environmental remediation expenses loss on sales of fixed assets, disposal of fixed assets, liquidation of affiliates, sales of affiliates, bonds redemption, Impairment loss, Business restructuring losses, Loss for after-care of products, Settlement loss and Provision for environmental remediation expenses.
- (9) Represents common stock on the respective consolidated balance sheets.
- (10) Represents Capital surplus, Treasury stock, Retained earnings, Other components, Non-controlling interests, Subscription rights to shares.
- (11) Represents Difference on revaluation of available-for-sale, Deferred gains or losses on hedges, Foreign currency translation adjustments, Remeasurements of defined benefit.
- (12) Represents Secured portion of Bonds & borrowings, Other financial liabilities, Convertible bond-type bonds with subscription rights to shares, Long-term debt.
- (13) Represents Unsecured portion of Bonds & borrowings, Other financial liabilities, Convertible bond-type bonds with subscription rights to shares, Long-term debt.
- (14) Represents Net defined benefit liability, Provisions, Deferred tax liabilities, Provisions for retirement benefits for executive officers, Provision for environmental remediation expenses, Asset retirement obligations, Lease obligations, Other non-current liabilities.
- (15) Represents Tangible Fixed Assets (Property, Plant and Equipment) and Intangible assets (goodwill and other);
- (16) Represents Other financial assets, Investments securities and Loan receivables (Long-term loans receivable, Allowance for doubtful receivables).
- (17) Represents Deferred tax assets, Other non-current assets, Deferred asset.
- (18) Represents total current assets less total current liabilities.
- (19) Basic earnings per share calculated as Profit attributable to owner of the parent divided by average number of common shares(excluding treasury stock) for the year as disclosed in the audited financial statements; average number of common shares (excluding treasury stock) for FY 2017, FY 2018, FY 2019 and 9M ended December 2019 are 383,378,305, 420,747,526, 417,943,833, and 415,073,353 respectively.
- (20) Diluted earnings per share calculated as Adjusted Profit attributable to owner of the parent divided by average number of common shares(excluding treasury stock) plus increased shares of common stock (convertible bond & subscription right) for the year as disclosed in the audited financial statements; average number of common shares (excluding treasury stock) for FY 2017, FY 2018, FY 2019 and 9M ended December 2019 are 389,443,016, 430,457,984, 427,642,970, and 424,770,519 respectively.

4.1.11. As on December 31, 2019, the Acquirer does not have any major contingent liabilities.

4.1.12. The market price per ordinary share of the Acquirer, as on the date of the PA and the DPS, is as follows:

| Date | Market price per ordinary share of the Acquirer | |
|----------------------------|---|-------|
| | INR* | JPY |
| Date of PA (May 20, 2020) | 1,292.57 | 1,841 |
| Date of DPS (May 28, 2020) | 1,352.24 | 1,926 |

* Converted into INR from JPY at a rate of JPY 100 = INR 70.21 as on May 20, 2020 (Source: Financial Benchmarks India Private Limited).

4.1.13. The Acquirer is in compliance with all applicable corporate governance rules and regulations under applicable laws.

4.1.14. The compliance officer of the Acquirer is Yoshihisa Kainuma, Tel: +81 (0) 367586711, E-mail: jayushinopenoffer@minebeamitsumi.com.

4.2. U-Shin Ltd. (“PAC”)

- 4.2.1. The PAC is a private limited company incorporated on July 1, 1926 under the laws of Japan (Company registration number 0104-01-030214). The PAC was incorporated under the name “Yuhshin-Shokai”. Subsequently, the PAC changed its name to “Kabushiki Kaisha Yuhshin-Shokai” with effect from November, 1936, to “Yuhshin Seiki Kogyo Co., Ltd.” with effect from August, 1942, and to its present name, “U-Shin Ltd.”, with effect from April 1, 1984. The registered office of the PAC is located at 4106-73, Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano, Japan 389-0293. The telephone number of the PAC is +81 (0) 3-5539-6062.
- 4.2.2. The PAC is principally involved in the business of developing, manufacturing and selling automotive components and industrial machinery.
- 4.2.3. The PAC is part of Minebea Mitsumi Group and is a wholly owned subsidiary of the Acquirer.
- 4.2.4. The equity shares of the PAC are not listed on any of the stock exchanges in India or abroad.
- 4.2.5. As on the date of this LOF, the PAC has not been prohibited by SEBI from dealing in securities pursuant to any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.2.6. Names, details of experience, qualifications, and date of appointment of the directors on the board of directors of the PAC, are as follows:

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|-------------------|--|---|---|
| Yoshihisa Kainuma | Representative Director, Chairman | Yoshihisa Kainuma is currently the Representative Director, Chairman of the Board of Directors, of the PAC. Refer to Paragraph 4.1.7 for his qualifications and experience. | June 26, 2020 |
| Takashi Kamioka | President, Representative Director President and CEO | Takashi Kamioka is currently the President, Representative Director, President and CEO of the PAC. He joined the PAC in November 2018 and became Acting Executive Manager of Quality Assurance Division. He further became Deputy Chief of U-Shin Business Headquarters and Head of Automotive BU at U-Shin Business Headquarters of the Acquirer, effective from April 2020. He started his career at Mazda Motor Corporation (formerly Toyo Kogyo Co., Ltd.) in April 1982, and held the position of Vice Executive General Manager of Quality Assurance Division before joining the PAC. Mr Kamioka graduated from Shizuoka University with a degree in Engineering in 1982. | June 26, 2020 |
| Junji Nawata | Director, Senior Managing Executive Officer | Junji Nawata is currently the Director, Senior Managing Executive Officer of the PAC. He joined the PAC in July 2017 and has held several positions. He further became Officer in charge of Business Management Division at U-Shin Business Headquarters and Officer in charge of the Administration Division at U-Shin Business Headquarters of the Acquirer, effective from April 2020. | June 26, 2020 |

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|-------------------|--------------------------------------|--|---|
| | | <p>He started his career at Mitsui Sumitomo Banking Corporation (formerly Sumitomo Banking Corporation) in April 1987, and held the position of Senior Promoter, General Manager of Global Advisory Department, before joining the PAC.</p> <p>Mr Nawata graduated from Rikkyo University with a degree in law in 1987.</p> | |
| Kizashi Masumori | Director, Managing Executive Officer | <p>Kizashi Masumori is currently the Director, Managing Executive Officer of the PAC. He joined the PAC in November 1981 and has held several positions. He further became Officer in charge of Engineering Development Division at U-Shin Business Headquarters of the Acquirer, effective from April 2020.</p> <p>Mr Masumori graduated from Oita University with a degree in technology and science in 1981.</p> | June 26, 2020 |
| Tatsuya Mori | Director, Managing Executive Officer | <p>Tatsuya Mori is currently the Director, Managing Executive Officer of the PAC. He joined the PAC in May 2011 and has held several positions. He is also Deputy Head of European Automotive BU at U-Shin Business Headquarter of the Acquirer.</p> <p>He started his career at NEC Corporation in April 1984, and held the position of General Manager of International Sales Business Unit, before joining the PAC.</p> <p>Mr Mori graduated from Tohoku University with a degree in Economics in 1984.</p> | June 26, 2020 |
| Osamu Sugimura | Director, Managing Executive Officer | <p>Osamu Sugimura is currently the Director, Managing Executive Officer of the PAC. He joined the PAC in April 1983 and has held several positions. He further became Deputy Chief of U-Shin Business Headquarters (in charge of Manufacturing), and Head of Business Support Division at U-Shin Business Headquarters of the Acquirer, effective from April 2020.</p> <p>Mr Sugimura graduated from Hiroshima Municipal Technical High School in 1983.</p> | June 26, 2020 |
| Ryozo Iwaya | Director | <p>Ryozo Iwaya is currently a director of the PAC. Refer to Paragraph 4.1.7 for his qualifications and experience.</p> | June 26, 2020 |
| Katsuhiko Yoshida | Director | <p>Katsuhiko Yoshida is currently a Director of the PAC. Refer to Paragraph 4.1.7 for his qualifications and experience.</p> | June 26, 2020 |
| Hiroshi Yoshikawa | Director | <p>Hiroshi Yoshikawa is currently a director of the PAC.</p> <p>Prior to joining the PAC, he had joined the Acquirer in April 1980, and held several positions at the Acquirer before being appointed as a Managing Executive Officer of the Acquirer in April 2015. He further became the Chief of U-Shin Business Headquarters of the Acquirer, effective from April 2020.</p> | June 26, 2020 |

| Name | Designation | Qualifications & Experience | Date of Appointment (of present tenure) |
|-------------|-------------|--|---|
| | | Mr Yoshikawa graduated from Nakano Jitsugyo High School in 1980. | |
| Takuya Sato | Director | <p>Takuya Sato is currently a director of the PAC.</p> <p>Prior to joining the PAC, he had joined the Acquirer in April 1985, and held several positions at the Acquirer before being appointed as a Managing Executive Officer in June 2017. He also holds the following positions at the Acquirer: (i) Deputy Chief of Electronic Device & Component Manufacturing Headquarters (in charge of Electronic Device and Parts); (ii) Deputy Chief of MITSUMI Business Headquarters (in charge of Manufacturing); and (iii) Officer in charge of Smart Factory Development Department at Business Development Division.</p> <p>Mr Sato graduated from Kanagawa University with a degree in Engineering in 1985.</p> | June 26, 2020 |

4.2.7. As on the date of this LOF, there are no directors representing the PAC on the board of the Target Company. As on the date of this LOF, the PAC holds 1,004,645 (one million four thousand six hundred forty five) Equity Shares constituting 26% (twenty six percent) in the Target Company. Neither the directors nor key managerial employees of the PAC hold any Equity Shares of the Target Company. Except as stated below, the PAC, its directors and key employees do not have any relationship with or interest in the Target Company:

- (i) The PAC entered into a joint venture agreement with Jay Industries dated May 30, 1986, in relation to *inter alia* establishing the Target Company (“JVA”);
- (ii) The PAC entered into a License and Technical Assistance Agreement with the Target Company on February 17, 2014, whereby the PAC has agreed *inter alia* to license certain technologies to the Target Company;
- (iii) The PAC entered into a Technical Consultancy Agreement with the Target Company on April 1, 2019, whereby the PAC has agreed *inter alia* to provide technical information, advice and guidance to the Target Company for the engineering of automobile parts; and
- (iv) The PAC entered into a Basic Supply Agreement of Parts with the Target Company on October 1, 2019, whereby the parties have agreed *inter alia* to supply automotive parts to each other.

4.2.8. Neither the PAC nor any of its directors or key employees have been categorized or declared: (i) 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; or (ii) a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

4.2.9. The key financial information of the PAC, as of and for the twelve months ended November 30, 2016, thirteen months ended December 31, 2017, twelve months ended December 31, 2018, three months ended March 31, 2019, and the nine months ended December 31, 2019, is as set out below:

| Profit & Loss Statement | As at and for the nine months ended December 31, 2019 ⁽¹⁾ | | As at and for the three months ended March 31, 2019 ⁽²⁾ | | As at and for the twelve months ended December 31, 2018 ⁽²⁾ | | As at and for the thirteen months ended December 31, 2017 ⁽²⁾ | | As at and for the twelve months ended November 30, 2016 ⁽²⁾ | |
|--|--|--------|--|---------|--|---------|--|---------|--|---------|
| | (Million) | INR | JPY | INR | JPY | INR | JPY | INR | JPY | INR |
| Income from operations ⁽³⁾ | 68,642 | 97,766 | 25,035 | 35,658 | 104,299 | 148,553 | 118,397 | 168,633 | 108,049 | 153,894 |
| Other Income ⁽⁴⁾ | 409 | 582 | 739 | 1,053 | 2,481 | 3,534 | 2,402 | 3,421 | 639 | 910 |
| Total Income | 69,050 | 98,348 | 25,775 | 36,711 | 106,780 | 152,087 | 120,799 | 172,054 | 108,688 | 154,804 |
| Total Expenditure ⁽⁵⁾ | 64,597 | 92,005 | 26,577 | 37,853 | 100,776 | 143,535 | 111,805 | 159,244 | 107,771 | 153,498 |
| Profit Before Depreciation & Amortization, Interest and Tax ⁽⁶⁾ | 4,453 | 6,342 | (801) | (1,141) | 6,004 | 8,552 | 8,994 | 12,810 | 917 | 1,306 |
| Depreciation and Amortization | 2,467 | 3,514 | 782 | 1,114 | 4,631 | 6,596 | 5,163 | 7,354 | 5,402 | 7,694 |
| Interest ⁽⁷⁾ | 152 | 216 | 49 | 70 | 399 | 568 | 642 | 914 | 734 | 1,045 |
| Profit Before Tax | 1,834 | 2,612 | (1,633) | (2,326) | 975 | 1,388 | 3,189 | 4,542 | (5,219) | (7,433) |
| Provision for Tax | 833 | 1,187 | (87) | (124) | 1,432 | 2,040 | 414 | 589 | 1,725 | 2,457 |
| Profit After Tax | 1,000 | 1,425 | (1,545) | (2,201) | (458) | (652) | 2,775 | 3,953 | (6,944) | (9,890) |
| Non-controlling interests | 0 | 0 | 0 | 0 | 2 | 3 | 0 | 0 | (1) | (1) |
| Profit(loss) attributable to owners of parent | 1,000 | 1,425 | (1,545) | (2,201) | (460) | (655) | 2,775 | 3,953 | (6,943) | (9,889) |

| Balance Sheet Statement | As at and for the nine months ended December 31, 2019 ⁽¹⁾ | | As at and for the three months ended March 31, 2019 ⁽²⁾ | | As at and for the twelve months ended December 31, 2018 ⁽²⁾ | | As at and for the thirteen months ended December 31, 2017 ⁽²⁾ | | As at and for the twelve months ended November 30, 2016 ⁽²⁾ | | |
|--|--|--------|--|--------|--|---------|--|--------|--|--------|-----|
| | (Million) | INR | JPY | INR | JPY | INR | JPY | INR | JPY | INR | JPY |
| Sources of funds | | | | | | | | | | | |
| Paid up share capital ⁽⁸⁾ | 10,676 | 15,206 | 10,676 | 15,206 | 10,676 | 15,206 | 10,213 | 14,546 | 9,172 | 13,063 | |
| Reserves and Surplus ⁽⁹⁾ | 7,392 | 10,529 | 6,621 | 9,430 | 8,415 | 11,985 | 9,351 | 13,318 | 5,710 | 8,133 | |
| Accumulated other comprehensive income ⁽¹⁰⁾ | (57) | (81) | 170 | 242 | (1,218) | (1,735) | 1,598 | 2,276 | 136 | 193 | |
| Net worth | 18,012 | 25,654 | 17,467 | 24,878 | 17,873 | 25,456 | 21,161 | 30,140 | 15,017 | 21,389 | |
| Secured loans ⁽¹¹⁾ | 0 | 0 | 5,371 | 7,650 | 5,371 | 7,650 | 6,445 | 9,180 | 7,519 | 10,710 | |
| Unsecured loans ⁽¹²⁾ | 4,804 | 6,842 | 5,732 | 8,164 | 8,520 | 12,135 | 6,714 | 9,563 | 14,717 | 20,961 | |

| | | | | | | | | | | |
|---|---------|---------|---------|---------|--------|--------|---------|---------|--------|--------|
| Other Non-Current Liabilities ⁽¹³⁾ | 4,141 | 5,898 | 3,143 | 4,477 | 3,157 | 4,496 | 3,555 | 5,063 | 5,872 | 8,363 |
| Total | 26,956 | 38,394 | 31,713 | 45,169 | 34,920 | 49,737 | 37,875 | 53,946 | 43,125 | 61,423 |
| Uses of funds | | | | | | | | | | |
| Net fixed assets ⁽¹⁴⁾ | 25,814 | 36,767 | 27,053 | 38,532 | 24,929 | 35,507 | 28,583 | 40,711 | 27,327 | 38,922 |
| Investments ⁽¹⁵⁾ | 4,601 | 6,553 | 4,514 | 6,429 | 4,518 | 6,435 | 8,412 | 11,981 | 8,698 | 12,389 |
| Other Non-Current Assets ⁽¹⁶⁾ | 2,926 | 4,168 | 2,212 | 3,150 | 2,912 | 4,148 | 3,095 | 4,408 | 4,444 | 6,330 |
| Net current assets ⁽¹⁷⁾ | (6,385) | (9,094) | (2,066) | (2,943) | 2,561 | 3,647 | (2,214) | (3,154) | 2,655 | 3,782 |
| Total | 26,956 | 38,394 | 31,712 | 45,168 | 34,920 | 49,737 | 37,875 | 53,946 | 43,125 | 61,423 |

| Other Financial Data | As at and for the nine months ended December 31, 2019 ⁽¹⁾ | | As at and for the three months ended March 31, 2019 ⁽²⁾ | | As at and for the twelve months ended December 31, 2018 ⁽²⁾ | | As at and for the thirteen months ended December 31, 2017 ⁽²⁾ | | As at and for the twelve months ended November 30, 2016 ⁽²⁾ | |
|--|--|-------|--|---------|--|---------|--|--------|--|----------|
| | INR | JPY | INR | JPY | INR | JPY | INR | JPY | INR | JPY |
| Basic Earnings Per Share ⁽¹⁸⁾ | 29.61 | 42.17 | (46.67) | (66.47) | (14.28) | (20.34) | 93.28 | 132.86 | (250.50) | (356.79) |
| Dividend per share | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends payout ratio (%) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Book value per share | 533 | 759 | 527 | 751 | 555 | 790 | 711 | 1,013 | 542 | 772 |

Since the financial statements of the PAC are prepared in JPY, the functional currency of the PAC, they have been converted into INR for the purpose of convenience of translation. JPY to INR conversion has been assumed at a rate of JPY 100 = INR 70.21 as on May 20, 2020 (Source: Financial Benchmarks India Private Limited).

Notes:

- (1) The key financial information of the PAC for the nine months ended December 31, 2019 have been derived from the audited consolidated financial statements of the Acquirer (being the parent company of the PAC) for the period from April 1, 2019 to December 31, 2019 and certified by the management of the PAC. As the shares of the PAC have ceased to be listed on any stock exchange effective from August 5, 2019, the PAC is not required to have its financial statements for the nine months ended December 31, 2019 separately audited under the laws of its jurisdiction.
- (2) The key financial information of the PAC for the periods ended November 30, 2016, December 31, 2017, December 31, 2018 and March 31, 2019 have been extracted from its consolidated financial statements for the respective periods, which have been prepared in accordance with the applicable accounting standards notified under the Japanese Generally Accepted Accounting Principles and have been audited by the independent statutory auditor of the PAC.
- (3) Represents net sales on the respective consolidated statement of income.
- (4) Represents Interest & dividend income, Insurance income, Foreign exchange gain, Gain on sale of PPE, investment securities, reversal of stock acquisition rights.
- (5) Represents Cost of sales, Selling, general and administration expenses and other expenses (Foreign exchange losses / hedge cost, Commitment fee, Impairment Loss, Loss on product warranties, Loss on sale and disposal of property, plant and equipment, Provision for business structure improvement expenses, Settlement payment Other - net).
- (6) Profit before Depreciation & Amortization, Interest and tax.
- (7) Interest comprises of Interest expenses.
- (8) Represents common stock on the respective consolidated balance sheets.
- (9) Represents Capital surplus, Treasury stock, Retained earnings, Non-controlling interests, Stock acquisition rights.
- (10) Represents Unrealized gain on available-for-sale securities, Deferred loss on derivatives under hedge accounting, Foreign currency translation adjustments, Defined retirement benefit plans.
- (11) Represents Secured portion of Long-term bonds and convertible bonds with warrants, Long-term bank loans.
- (12) Represents Unsecured portion of Long-term bonds and convertible bonds with warrants, Long-term bank loans.
- (13) Represents Deferred tax liabilities, Liability for employees' retirement benefits, Other long-term liabilities, Long-term lease obligations.
- (14) Represents Property, Plant and Equipment and Intangible assets (goodwill and other).
- (15) Represents Investments securities.
- (16) Represents Investments in unconsolidated subsidiaries and associated companies, Deferred tax assets, other assets.

- (17) Represents total current assets less total current liabilities.
- (18) Basic earnings per share calculated as Profit attributable to owner of the parent divided by average number of shares during the period; average number of shares for November ended 2016, December ended 2017, December ended 2018, 3M ended March 2019 and 9M ended December 2019 are 27,716,145, 29,759,075, 32,207,899, 33,119,440, and 33,791,586 respectively.

5. BACKGROUND OF THE TARGET COMPANY

- 5.1. The Target Company is a public limited company incorporated on August 14, 1986 under the Companies Act, 1956. The Target Company was incorporated under the name “Jay Yuhshin Limited”. Subsequently, the Target Company changed its name to its present name, “Jay Ushin Limited”, with effect from May 17, 2002. Its corporate identification number is L52110DL1986PLC025118. The registered office of the Target Company is located at GI-48, G T Karnal Road Industrial Area, Delhi - 110033. Tel.: +91 (11) 4314 7700; Fax: +91 (124) 4623 403.
- 5.2. The Target Company is engaged in the manufacturing and selling of components such as lock and key sets, combination switches, heater control panels (HVAC) and door latches for automobiles.
- 5.3. The authorized share capital of the Target Company is INR 150,000,000 (Indian Rupees one hundred and fifty million only) divided into 15,000,000 (Fifteen million only) Equity Shares of face value INR 10 (Indian Rupees ten) each. The Existing Share Capital of the Target Company as on March 31, 2020 is INR 38,645,000 (Indian Rupees thirty eight million six hundred and forty five thousand only) comprising 3,864,500 (Three million eight hundred and sixty four thousand five hundred only) fully paid-up Equity Shares.
- 5.4. The Existing Share Capital structure of the Target Company, as on the date of this LOF, is as follows:

| Paid-up Equity Shares of Target Company | No. of Equity Shares/voting rights | % of Equity Shares/ voting rights |
|---|------------------------------------|-----------------------------------|
| Fully paid-up Equity Shares | 3,864,500 | 100.00% |
| Partly paid-up Equity Shares | - | - |
| Total paid-up Equity Shares | 3,864,500 | 100.00% |
| Total voting rights in Target Company | 3,864,500 | 100.00% |

- 5.5. Based on the shareholding pattern as of March 31, 2020 disclosed by the Target Company and information available on the website of Stock Exchanges, as on the date of this LOF, there are no partly paid-up equity shares and no outstanding convertible instruments (such as depository receipts, fully convertible debentures or warrants) issued by the Target Company which are convertible into Equity Shares of the Target Company.
- 5.6. The Equity Shares are listed on BSE (Security ID: JAYUSH, Security Code: 513252). The ISIN of the Equity Shares of the Target Company is INE289D01015. The Equity Shares are frequently traded on the BSE (as on the date the public announcement pertaining to the Open Offer was required to be made), for the purposes of Regulation 2(1)(j) of the SEBI (SAST) Regulations (*Further details provided in Paragraph 6.1 below*).
- 5.7. Based on the information available on the website of the Stock Exchange, (i) the entire issued, subscribed and paid up share capital of the Target Company is listed on the Stock Exchange; (ii) there are no outstanding shares of the Target Company that have been issued but not listed on the Stock Exchange; (iii) The trading of the Equity Shares of the Target Company is currently not suspended on Stock Exchange; and (iv) The Equity Shares of the Target Company have not been delisted from any stock exchange in India.
- 5.8. Basis a communication received from the Target Company on July 3, 2020, the Target Company has confirmed that: (i) there are no directions subsisting or proceedings pending under the SEBI Act and the regulations made thereunder, against the Target Company; and (ii) there are no investor complaints pending against the Target Company.

- 5.9. There have been no mergers/demergers/spin-offs involving the Target Company during the last 3 (three) years. None of the Equity Shares of the Target Company are currently locked-in.
- 5.10. Names, DIN, designation and date of appointment of the directors on the board of directors of the Target Company, based on information available on the website of the Ministry of Corporate Affairs, are as follows:

| Name | Director Identification Number (DIN) | Date of Appointment | Designation |
|----------------------|--------------------------------------|---------------------|---------------------|
| Jai Deo Prasad Minda | 00045623 | August 14, 1986 | Whole-Time Director |
| Ashwani Minda | 00049966 | August 14, 1986 | Managing Director |
| Arvind Kumar Mittal | 00423454 | May 26, 2018 | Director |
| Ashok Panjwani | 00426277 | January 29, 2003 | Director |
| Balraj Bhanot | 00993431 | November 13, 2010 | Director |
| Ciby Cyriac James | 03058406 | May 26, 2018 | Director |
| Vandana Minda | 03582322 | August 5, 2014 | Director |

As on the date of this LOF, there are no directors representing the Acquirer or the PAC and none of the directors of the Acquirer or the PAC have been appointed as directors on the board of directors of the Target Company.

- 5.11. The key financial information about the Target Company, as submitted by the Company to the Stock Exchange and based on its audited standalone financial statements for the financial years ended March 31, 2017 and March 31, 2018, its consolidated financial statements for the financial year ended March 31, 2019, audited by the independent statutory auditor of the Target Company, and its unaudited interim consolidated financial statements for the nine month period ended December 31, 2019, reviewed by the independent statutory auditor of the Target Company, is as set out below:

In INR million, except per share data

| Profit and Loss Statement | As at and for 9 months ended 31 December 2019 | Financial year ended March 31 | | |
|--|---|-------------------------------|----------|----------|
| | | 2019 | 2018 | 2017 |
| Income from Operations ⁽¹⁾ | 5,079.17 | 8,549.32 | 8,895.88 | 8,993.40 |
| Other Income | 79.53 | 97.82 | 143.60 | 160.16 |
| Total Income | 5,158.70 | 8,647.14 | 9,039.48 | 9,153.56 |
| Total Expenditure ⁽²⁾ | 4,843.71 | 8,200.92 | 8,693.47 | 8,846.15 |
| Profit before Depreciation, Interest and Tax | 314.99 | 446.22 | 346.01 | 307.41 |
| Depreciation | 135.46 | 159.33 | 154.96 | 150.01 |
| Interest ⁽³⁾ | 131.10 | 160.56 | 109.84 | 97.16 |
| Profit before Tax | 48.42 | 126.33 | 81.22 | 60.23 |
| Provision for Tax ⁽⁴⁾ | (6.37) | 11.28 | (25.57) | 19.04 |
| Profit After Tax ⁽⁵⁾ | 54.79 | 115.05 | 106.78 | 41.19 |

| Balance Sheet | Financial year ended 31 March | | |
|--|-------------------------------|--------|--------|
| | 2019 | 2018 | 2017 |
| Sources of Funds | | | |
| Paid up Share Capital ⁽⁶⁾ | 38.65 | 38.65 | 38.65 |
| Reserves and Surplus (excluding revaluation reserves) ⁽⁷⁾ | 708.85 | 611.37 | 495.77 |

| Balance Sheet | Financial year ended 31 March | | |
|---|-------------------------------|----------|----------|
| | 2019 | 2018 | 2017 |
| Net Worth | 747.49 | 650.01 | 534.42 |
| Secured Loans ⁽⁸⁾ | 572.51 | 687.52 | 412.04 |
| Unsecured Loans ⁽⁹⁾ | - | 16.55 | 0.29 |
| Other Non-Current Liabilities ⁽¹⁰⁾ | 166.77 | 85.32 | 114.52 |
| Total | 1,486.78 | 1,439.39 | 1,061.27 |
| Uses of Funds | | | |
| Net Fixed Assets ⁽¹¹⁾ | 1,709.94 | 1,529.14 | 1,567.91 |
| Investments | - | 6.91 | 0.60 |
| Other Non-Current Assets ⁽¹²⁾ | 185.01 | 141.21 | 108.32 |
| Net Current Assets ⁽¹³⁾ | (408.17) | (237.87) | (615.56) |
| Total | 1,486.78 | 1,439.39 | 1,061.27 |

| Other relevant information | As at and for 9 months ended 31 December 2019 | Financial year ended 31 March | | |
|--------------------------------------|---|-------------------------------|--------|--------|
| | | 2019 | 2018 | 2017 |
| Earnings per share ⁽¹⁴⁾ | 14.18 | 29.77 | 27.63 | 10.66 |
| Dividend per share | - | 3.00 | 3.00 | 2.00 |
| Return on net worth ⁽¹⁵⁾ | - | 16.47% | 18.03% | 7.94% |
| Book value per share ⁽¹⁶⁾ | - | 193.43 | 168.20 | 138.29 |

Notes:

- (1) Represents revenue from operations (gross) on the respective consolidated statements of profit and loss.
- (2) Represents cost of materials consumed, changes in inventories of finished goods & work -in -progress, excise duty on sale of goods, employee benefits expense, other expenses on the respective consolidated statements of profit and loss.
- (3) Represents finance cost on the respective consolidated statements of profit and loss.
- (4) Represents current tax, mat credit, deferred tax on the respective consolidated statements of profit and loss.
- (5) Represents “profit after tax” or “profit for the year” on the respective consolidated statements of profit and loss.
- (6) Represents total equity on the respective consolidated balance sheets.
- (7) Represents other equity (securities premium account, general reserve, surplus in statement of profit and loss and FVOCI reserve) on the respective consolidated balance sheets.
- (8) Represents secured portion of borrowings from non-current liabilities on the respective consolidated balance sheets.
- (9) Represents unsecured portion of borrowings from non-current liabilities on the respective consolidated balance sheets.
- (10) Represents provisions, deferred tax liabilities, other financial liabilities, other non-current liabilities, other long-term liabilities on the respective consolidated balance sheets.
- (11) Represents property, plant and equipment, tangible assets, intangible assets, intangible assets under development, capital work-in-progress on the respective consolidated balance sheets.
- (12) Represents loans, other non-current assets, other financial assets on the respective consolidated balance sheet.
- (13) Represents total current assets less total current liabilities on the respective consolidated balance sheets.
- (14) Basic & diluted; earnings per share calculated as profit attributable to owner of the parent divided by weighted average number of shares during the period; weighted average number of shares for the financial years ended March 31, 2017, March 31, 2018, and March 31, 2019 and for the nine month period ended December 31, 2019 are 3,864,500 shares each.
- (15) Represents profit after tax divided by average of networth of current and previous fiscal years.
- (16) Represents networth divided by average of total equity shares of current and previous fiscal years.

5.12. The Pre and post Offer Shareholding Pattern of the Target Company, based on the latest shareholding pattern as on March 31, 2020, assuming full acceptances is as provided below:

| | Shareholders' category | Shareholding and voting rights prior to the agreement/acquisition and offer | | Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulation | | Shares/voting rights to be acquired in the open offer (assuming full acceptance) | | Shares/voting rights after the acquisition and offer | |
|----------|---|---|--------|---|---|--|---------|--|--------|
| | | (A) | | (B) | | (C) | | (A)+(B)+(C) = (D) | |
| | | No. of Equity Shares | % | No. of Equity Shares | % | No. of Equity Shares | % | No. of Equity Shares | % |
| 1 | Promoter group (other than Acquirer and PAC) | | | | | | | | |
| A | Parties to the agreement, if any | - | - | - | - | - | - | - | - |
| B | Promoters other than 1A above, Acquirer and PAC | 1,171,106 | 30.30 | - | - | - | - | 1,171,106 | 30.30 |
| C | Total 1 (A+B) | 1,171,106 | 30.30 | - | - | - | - | 1,171,106 | 30.30 |
| 2 | Acquirer and PAC | | | | | | | | |
| A | Acquirer | - | - | - | - | 1,004,770 | 26.00 | 1,004,770 | 26.00 |
| B | PAC | 1,004,645 | 26.00 | - | - | - | - | 1,004,645 | 26.00 |
| C | Total 2 (A+B) | 1,004,645 | 26.00 | - | - | 1,004,770 | 26.00 | 2,009,415 | 52.00 |
| 3 | Parties to agreement other than 1A and 2 | - | - | - | - | - | - | - | - |
| 4 | Public (other than parties to the agreement, Acquirer and PAC) | | | | | | | | |
| A | Institutions* | 900 | 0.02 | - | - | (1,004,770) | (26.00) | 683,979 | 17.70 |
| B | Others | 1,687,849 | 43.68 | - | - | | | | |
| | Total 4 (A+B) | 1,688,749 | 43.70 | - | - | (1,004,770) | (26.00) | 683,979 | 17.70 |
| | Grand Total (1+2+3+4) | 3,864,500 | 100.00 | - | - | - | - | 3,864,500 | 100.00 |

* Includes Mutual Funds, Financial Institutions / Banks, Insurance Companies, Foreign Portfolio Investors and Alternative Investment Funds.

Note: The number of shareholders in the "public category" as on March 31, 2020 is 2,144.

5.13. The Acquirer and/or the PAC have not acquired any Equity Shares of the Target Company after the date of PA, i.e. May 20, 2020 and up to the date of this LOF.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1. The Equity Shares of the Target Company are listed on BSE (Security ID: JAYUSH, Security Code: 513252). The ISIN of Equity Shares of the Target Company is INE289D01015.

6.1.2. The annualized trading turnover in the Equity Shares, based on the trading volume on BSE during the twelve calendar months preceding the calendar month in which the public

announcement was required to be made, i.e. from November 1, 2017 to October 31, 2018, is as set out below:

| Stock Exchange | Total traded volume | Total number of Equity Shares | Trading turnover (as % of total equity shares) |
|----------------|---------------------|-------------------------------|--|
| BSE | 387,009 | 3,864,500 | 10.0145% |

(Source: www.bseindia.com)

- 6.1.3. Based on the above, the Equity Shares of the Target Company are frequently traded on the BSE in accordance with Regulation 2(1)(j) of the SEBI (SAST) Regulations, as certified by Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459), *vide* its certificate dated May 20, 2020.
- 6.1.4. The offer price in terms of Regulation 8(1) read with 8(3) of the SEBI (SAST) Regulations, as disclosed in the PA, is INR 510.44/- (Indian Rupees five hundred and ten and forty four paise only) per Equity Share, being the highest of the following parameters:

| SL. No. | Particulars | INR |
|---------|--|-------------------------------|
| A | The highest negotiated price per Equity Share of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer; | Not applicable |
| B | The volume-weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer and/or the PAC, during the fifty-two weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain; | Not applicable |
| C | The highest price paid or payable for any acquisition, whether by the Acquirer and/or the PAC, during the twenty-six weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain; | Not applicable |
| D | The highest price paid or payable for any acquisition, whether by the Acquirer and/or the PAC, between the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the PA of the Open Offer for shares of the Target Company made under the SEBI (SAST) Regulations; | Not applicable |
| E | The volume-weighted average market price (“VWAMP”) of the shares for a period of sixty trading days immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded; and | 510.44 ⁽¹⁾ |
| F | The per share value computed under Regulation 8(5) of the SEBI (SAST) Regulations. | Not Applicable ⁽²⁾ |

Source: Certificate issued by Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459) dated May 20, 2020

- (1) Volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding November 7, 2018 (being the earlier of the date on which the Overseas Transaction was contracted, and the date on which the intention or the decision to enter into the Overseas Transaction was announced in the public domain), as traded on the BSE.
- (2) In terms of Regulation 8(5) of the SEBI (SAST) Regulations, as the Open Offer is pursuant to an indirect acquisition, the Acquirer is required to compute and disclose the per equity share value of the Target Company taken into account for the Overseas Transaction, if any of the following are in excess of 15%, on the basis of the most recent audited annual financial statements preceding November 7, 2018 (being the earlier of the date on which the Overseas Transaction was contracted, and the date on which the intention or the decision to enter into the Overseas Transaction was announced in the public domain):
 - a. the proportionate net asset value of the Target Company, as a percentage of the consolidated net asset value of the PAC;

- b. *the proportionate sales turnover of the Target Company, as a percentage of the consolidated sales turnover of the PAC; or*
- c. *the proportionate market capitalization of the Target Company, as a percentage of the enterprise value for the PAC.*

In this regard, the relevant calculations for the net asset value, consolidated revenue and market capitalization in terms of Regulation 8(5) of the SEBI (SAST) Regulations, are not in excess of 15%.

- 6.1.5. The board of directors of the Acquirer, at their meeting held on November 7, 2018, resolved to undertake the Overseas Transaction and an announcement was made by the Acquirer on November 7, 2018 in this regard. The Overseas Transaction was completed on August 7, 2019. Accordingly, the offer price as disclosed in the PA of INR 510.44/- (Indian Rupees five hundred and ten and forty four paise only) per Equity Share determined in terms of Regulations 8(1) read with 8(3) of the SEBI (SAST) Regulations would be enhanced at a rate of 10% (ten percent) per annum, calculated for the period from November 7, 2018 to May 28, 2020 (being the date of publication of the DPS), which works out to be INR 79.50/- (Indian Rupees seventy nine and fifty paise only) per Equity Share (“**Enhancement Amount**”).
- 6.1.6. Considering the offer price of INR 510.44/- (Indian Rupees five hundred and ten and forty four paise only) per Equity Share determined in terms of Regulations 8(1) read with 8(3) of the SEBI (SAST) Regulations along with the Enhancement Amount of INR 79.50/- (Indian Rupees seventy nine and fifty paise only) per Equity Share, the Offer Price amounts to INR 589.94 (Indian Rupees five hundred and eighty nine and ninety four paise only) per Equity Share. Therefore, the Offer Price of INR 589.94 (Indian Rupees five hundred and eighty nine and ninety four paise only) per Equity Share is justified in terms of Regulations 8(1) and 8(3) read with Regulation 8(12) of the SEBI (SAST) Regulations. Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459), located at 101, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai 400 001, *vide* their certificate dated May 20, 2020 have confirmed the aforementioned computation of the Offer Price.
- 6.1.7. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.8. In terms of Regulation 8(5) of the SEBI (SAST) Regulations, if any of the parameters set out therein are met, the Acquirer and the PAC are required to disclose the per Equity Share value of the Target Company taken into account for the Overseas Transaction. Since, the threshold as set out under Regulation 8(5) of the SEBI (SAST) Regulations is not met in the instant case, the Acquirer and the PAC are not required to compute and disclose the per Equity Share value of the Target Company.
- 6.1.9. The Offer Price may be further adjusted in the event of any corporate actions like bonus, rights, split, consolidation, dividend, demergers, and reduction etc. where the record date for effecting such corporate actions falls between the date of the DPS up to 3 (three) Working Days prior to the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.10. In the event of any acquisition of Equity Shares by the Acquirer or the PAC during the Offer period, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and/ or the PAC shall not acquire any Equity Shares after the third (3rd) Working Day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer.
- 6.1.11. Except for inclusion of the Enhancement Amount, as on the date of this LOF, there is no revision in the Offer Price or Offer Size. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations.

- 6.1.12. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall: (i) make corresponding increase to the escrow amount (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously notify the Stock Exchange, the SEBI and the Target Company at its registered office of such revision.
- 6.1.13. If the Acquirer or the PAC acquires Equity Shares during the period of 26 (twenty-six) weeks after the tendering period at a price higher than the Offer Price, then the Acquirer/ PAC shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to the SEBI (Delisting of Equity Shares) Regulations, 2009, as amended, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of shares of the Target Company in any form.

6.2. Financial Arrangements

- 6.2.1. The total funding requirement for the Open Offer, assuming full acceptance, i.e. for the acquisition of 1,004,770 (One million four thousand seven hundred and seventy only) Equity Shares, at the Offer Price of INR 589.94 (Indian Rupees five hundred and eighty nine and ninety four paise only) is INR 592,754,013.80 (Indian Rupees five hundred and ninety two million seven hundred and fifty four thousand and thirteen and eighty paise only).
- 6.2.2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer and the Manager have entered into an escrow agreement with CITIBANK, N.A. (acting through its office at Mumbai, the “**Escrow Agent**”) on March 13, 2020 (“**Escrow Agreement**”), and by way of security for performance by the Acquirer of its obligations under the SEBI (SAST) Regulations, the Acquirer has created an escrow account named “Jay Ushin Limited Open Offer Escrow Account” (“**Open Offer Escrow Account**”) with the Escrow Agent. The Acquirer has also opened a special rupee account – “Jay Ushin Limited Open Offer Special Escrow Account” for the purpose of Regulation 21 of SEBI (SAST) Regulations (“**Open Offer Special Escrow Account**”).
- 6.2.3. The Acquirer has deposited INR 148,188,504 (Indian Rupees one hundred and forty eight million one hundred and eighty eight thousand five hundred and four only) in the Escrow Account. The amount deposited in the Escrow Account is in compliance with the requirements of deposit of escrow amount as per Regulation 17 of the SEBI (SAST) Regulations, i.e. 25% (Twenty five percent) of the first INR 5,000,000,000 (Rupees five billion only) of the Maximum Open Offer Consideration.
- 6.2.4. The Acquirer has authorized the Manager to operate and realize the value of the Open Offer Escrow Account and the Open Offer Special Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.5. The source of funds for the Acquirer is its internal accruals. The Acquirer and the PAC have made firm financing arrangements for fulfilling the payment obligations under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, and the Acquirer and the PAC are able to implement this Offer. The Equity Shares validly tendered and accepted under the Offer shall be acquired by the Acquirer and/or the PAC.
- 6.2.6. Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459), has *vide* its certificate dated May 20, 2020, certified that the Acquirer and the PAC have adequate and firm financial resources through verifiable means to fulfill its obligations under the Open Offer.
- 6.2.7. Based on the aforesaid financial arrangements made by the Acquirer and on the confirmations received from the R Ranjit Lal & Associates, Chartered Accountants, the Manager is satisfied that firm arrangements have been put in place by the Acquirer and the PAC to fulfill its

obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

- 6.2.8. In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision, such that the amounts lying to the credit of the Escrow Account at all times shall not be less than 25% (Twenty five percent) of the first INR 5,000,000,000 (Rupees five billion only) of the Maximum Open Offer Consideration.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational Terms and Conditions

- 7.1.1. In terms of the schedule of activities, the Tendering Period for the Offer shall commence on Friday, July 31, 2020 and close on Thursday, August 13, 2020, 2020.
- 7.1.2. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholders of the Target Company.
- 7.1.3. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one) only. Public Shareholders can participate in the Offer by offering their shareholding in whole or in part.
- 7.1.4. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends and rights to participate in, bonus and rights issues, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.5. The acceptance must be unconditional, absolute and unqualified. Any acceptance of this Offer, which is conditional or incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected without assigning any reason whatsoever. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.1.6. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period or thereafter.
- 7.1.7. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 7.1.8. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer. All the Equity Shares validly tendered under this Offer will be acquired by the Acquirer and/ or the PAC in accordance with the terms and conditions set forth in the LOF, to the extent of the Offer Size. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer.
- 7.1.9. Copies of the PA, DPS and DLOF are available on the website of SEBI at www.sebi.gov.in and copies of this LOF (including Form of Acceptance) are expected to be available on the website of SEBI at www.sebi.gov.in.
- 7.1.10. The Identified Date for this Offer as per the schedule of activities is July 17, 2020.

- 7.1.11. The LOF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company on the Identified Date. Accidental omission to dispatch the LOF to any Public Shareholder to whom this Offer has been made or non-receipt of the LOF by any such Public Shareholder shall not invalidate this Offer in manner whatsoever. In case of non-receipt of the LOF, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the LOF and the Form of Acceptance from the website of the Registrar to the Offer (www.linkintime.co.in), the Stock Exchange (www.bseindia.com) or the Manager to the Offer (www.ambit.co).
- 7.1.12. The instructions, authorizations and provisions contained in the Form of Acceptance constitute an integral part of the terms of the Open Offer.
- 7.1.13. None of the Acquirer, the PAC, the Manager or the Registrar to the Offer accepts any responsibility for any loss of documents during transit (including but not limited to Offer acceptance forms, copies of delivery instruction slips, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.1.14. The Acquirer and the PAC reserve the right to revise the Offer Price and/or the Offer Size at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer and the PAC shall: (i) make corresponding increase to the escrow amount (ii) make public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously notify the Stock Exchange, the SEBI and the Target Company at its registered office of such revision. In case of any revision of the Offer Price, the Acquirer and the PAC would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of this LOF.

7.2. Locked-in Equity Shares

The locked-in Equity Shares, if any, may be tendered in the Open Offer and transferred to the Acquirer and/or the PAC subject to the continuation of the residual lock-in period in the hands of the Acquirer and/or the PAC, as may be permitted under applicable law. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares.

7.3. Eligibility for accepting the Offer

- 7.3.1. All Public Shareholders, registered or unregistered, who hold Equity Shares in dematerialized form or physical form at any time before the Offer Closing Date are eligible to tender such Equity Shares in this Open Offer (subject to the approvals that they may need to obtain as stated in Paragraph 7.4 of this LOF).
- 7.3.2. 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 i.e. the date falling on the 10th (Tenth) Working Day prior to the commencement of Tendering Period, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Open Offer. No indemnity shall be required from the unregistered shareholders.

7.4. Statutory and other Approvals

- 7.4.1. To the best of the knowledge of the Acquirer and the PAC, as on the date of this LOF, there are no statutory, regulatory or other approvals required by the Acquirer and/ or the PAC to complete the to acquire the Offer Shares that are validly tendered pursuant to the Open Offer or to complete the Open Offer, except as stated below. However, in case any statutory or other approval becomes applicable prior to the completion of the Open Offer, the Open Offer would also be subject to such statutory or other approval(s) being obtained.

- 7.4.2. NRIs, OCBs and other non-resident holders of the Equity Shares, if any, must obtain all requisite approvals/exemptions required, if any, to tender the Equity Shares held by them in this Offer, and submit such approvals/exemptions along with the documents required to accept this Offer. If such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Offer.
- 7.4.3. If the Public Shareholders who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approvals (including from the RBI or any other regulatory authority/body) at the time of the original investment in respect of the Equity Shares held by them currently, they will be required to submit such previous approvals that they would have obtained for acquiring/holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Offer.
- 7.4.4. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- 7.4.5. Subject to the receipt of the statutory and other approvals, if any, the Acquirer shall complete payment of consideration within 10 (Ten) Working Days from the Offer Closing Date to those Public Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirer and the PAC.
- 7.4.6. In case of delay/non-receipt of any approval which may be required by the Acquirer and the PAC at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer and the PAC to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirer and the PAC to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation 18(11) of the SEBI (SAST) Regulations.
- 7.4.7. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer and the PAC shall have the right to withdraw the Open Offer in the event that any of the Statutory Approvals specified in this LOF as set out in Paragraph 7.4 or those which become applicable prior to completion of the Open Offer are finally refused, for reasons outside the reasonable control of the Acquirer and the PAC. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal, in the same newspapers in which the DPS had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations. Such announcement will also be sent to SEBI, the Stock Exchange and the Target Company at its registered office.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1. All Public Shareholders, registered or unregistered, holding Equity Shares in dematerialised form or physical form, are eligible to participate in this Offer at any time from Offer Opening Date to Offer Closing Date.
- 8.2. The BSE shall be the designated stock exchange for the purpose of tendering shares in the Offer (“**Designated Stock Exchange**”).
- 8.3. **Procedure for acceptance and settlement of the Offer**
- 8.3.1. The Open Offer will be implemented by the Acquirer and the PAC through Stock Exchange Mechanism made available by the Stock Exchange in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular

CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016.

- 8.3.2. The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to the Open Offer shall be available on BSE in the form of a separate Acquisition Window
- 8.3.3. The Acquirer has appointed Ambit Capital Private Limited (“**Buying Broker**”) as its broker for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

| | |
|------------------------------|--|
| Name of Broker | Ambit Capital Private Limited |
| Address of Broker | Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 |
| e-mail of Broker | Sameer.Parkar@ambit.co |
| CIN | U74140MH1997PTC107598 |
| Contact Person | Sameer Parkar |
| Contact Details | Tel: + 91 (22) 6623 3000; Fax: + 91 (22) 6623 3100 |
| SEBI Registration No. | INZ000259334 |

- 8.3.4. Public Shareholders who desire to tender their Equity Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker(s)**”) during the normal trading hours of the secondary market during the Tendering Period.
- 8.3.5. The Selling Broker can enter orders for physical and dematerialised Equity Shares. During the Tendering Period, the bid for selling the Equity Shares will be placed in the Acquisition Window by Public Shareholders through their respective Selling Broker during normal trading hours of the secondary market. The Buying Broker may also act as Selling Broker for Public Shareholders.
- 8.3.6. 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 Offer Opening Date.
- 8.3.7. Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant).
- 8.3.8. In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stock broker then that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“**UCC**”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Public Shareholder may approach Buying Broker viz. Ambit Capital Private Limited, to bid by using quick UCC facility. The Public Shareholder approaching BSE registered stock broker (with whom he does not have an account) / Ambit Capital Private Limited may have to submit following details:
- (i) In case of Public Shareholder being an individual:
- a. If Public Shareholder is registered with KYC Registration Agency (“**KRA**”): Forms required:
- Central Know Your Client (“**CKYC**”) form including Foreign Account Tax Compliance Act (“**FATCA**”), In Person Verification (“**IPV**”), Original Seen and Verified (“**OSV**”) if applicable
 - Know Your Client (“**KYC**”) form documents required (all documents self-attested):

- Bank details (cancelled cheque)
 - Demat details for Equity Shares in dematerialized form (demat master /latest demat statement)
- b. If Public Shareholder is not registered with KRA: Forms required:
- CKYC form including FATCA, IPV, OSV if applicable
 - KRA form
 - KYC form documents required (all documents self-attested):
 - Permanent Account Number (“PAN”) card copy
 - Address proof
 - Bank details (cancelled cheque)
 - Demat details for Equity Shares in dematerialized form (demat master /latest demat statement)

It may be noted, that other than submission of above forms and documents, in person verification may be required.

(ii) In case of Public Shareholder, being a Hindu Undivided Family (“HUF”):

- a. If Public Shareholder is registered with KRA: Forms required:
- CKYC form of karta including FATCA, IPV, OSV if applicable
 - KYC form documents required (all documents self-attested):
 - Bank details (cancelled cheque)
 - Demat details for Equity Shares in dematerialized form (demat master /latest demat statement)
- b. If Public Shareholder is not registered with KRA: Forms required:
- CKYC form of karta including FATCA, IPV, OSV if applicable
 - KRA form
 - KYC form documents required (all documents self-attested):
 - PAN card copy of HUF & karta
 - Address proof of HUF & karta
 - HUF declaration
 - Bank details (cancelled cheque)
 - Demat details for Equity Shares in dematerialized form (demat master /latest demat statement)

It may be noted that, other than submission of above forms and documents, in person verification may be required.

(iii) In case of Public Shareholder other than Individual and HUF:

- a. If Public Shareholder is KRA registered: Form required
- KYC form documents required (all documents certified true copy):
 - Bank details (cancelled cheque)
 - Demat details for Equity Shares in dematerialized form (demat master /latest demat statement)
 - FATCA, IPV, OSV if applicable
 - Latest list of directors/authorised signatories/partners/trustees
 - Latest shareholding pattern
 - Board resolution
 - Details of ultimate beneficial owner along with PAN card and address proof
 - Last 2 years financial statements
- b. If Public Shareholder is not KRA registered: Forms required:
- KRA form
 - KYC form documents required (all documents certified true copy):
 - PAN card copy of company/ firm/trust
 - Address proof of company/ firm/trust
 - Bank details (cancelled cheque)

- Demat details for Equity Shares in dematerialized form (demat master /latest demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies & address proof of directors/authorised signatories/ partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- Memorandum of association/partnership deed /trust deed

It may be noted that, other than submission of above forms and documents, in person verification may be required.

It may be noted that the above-mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

- 8.3.9. The cumulative quantity tendered shall be displayed on BSE's website (www.bseindia.com) throughout the trading session at specific intervals by BSE during the Tendering Period.
- 8.3.10. Modification/cancellation of bids will not be allowed during the Tendering Period. Multiple bids made by single Public Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.

8.4. Procedure for tendering Equity Shares held in Dematerialised Form

- 8.4.1. Public Shareholders who are holding Equity Shares in dematerialized form and who desire to tender their Equity Shares in dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 8.4.2. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchange. Before placing the bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay-in mechanism as prescribed by BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- 8.4.3. The Public Shareholders shall earmark / provide such early pay-in of the dematerialized Equity Shares to be tendered in the Offer (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular which will be issued by the Stock Exchange/ Clearing Corporation before the opening of the Offer, before any orders/bids are placed on their behalf by their respective Selling Brokers.
- 8.4.4. Upon placing the bid, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Public Shareholder. TRS will contain details of order/bid submitted like bid identification number, depository participant identification, client identification number, number of Equity Shares tendered, etc.
- 8.4.5. On receipt of TRS from the respective Selling Broker, the Public Shareholder has successfully placed the bid in the Open Offer. Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 8.4.6. For custodian participant, orders for Equity Shares in dematerialized form 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 time provided by BSE on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

- 8.4.7. The duly filled in Delivery Instruction Slips (“**DIS**”) specifying the appropriate market type in relation to the Open Offer, and execution date along with all other details should be submitted by the Public Shareholders to their respective depository participant/ Selling Broker so as to ensure that the Equity Shares are tendered in the Offer.
- 8.4.8. For resident Public Shareholders holding Equity Shares in dematerialized form, submission of Form of Acceptance and TRS is not mandatory, but are advised to retain the acknowledged copies of the DIS and TRS with them until the expiry of the Offer Period. After the receipt of the Equity Shares in dematerialized form by the Clearing Corporation and a valid bid in the exchange bidding system, the Equity Shares bid shall be deemed to have been accepted for Public Shareholders holding Equity Shares in dematerialized form.
- 8.4.9. **The Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement, unless required by their respective Selling Broker.**
- 8.4.10. All non-resident Public Shareholders (i.e. Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance. The non-resident Public Shareholders holding Equity Shares in demat mode, directly or through their respective Selling Brokers, are required to send the Form of Acceptance along with the required documents to the Registrar to the Offer at its address given on the cover page of the LOF. The envelope should be super scribed as “Jay Ushin Limited Open Offer”. The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance.

8.5. **Procedure for tendering the Equity Shares held in physical form**

As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with SEBI notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, and the press releases dated December 3, 2018 and March 27, 2019 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. However, in accordance with the Frequently Asked Questions dated February 20, 2020 issued by SEBI titled “FAQs – Tendering of physical shares in buyback offer /open offer/exit offer/delisting”, Public Shareholders holding Equity Shares 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.

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

- 8.5.1. Public Shareholders who are holding Equity Shares in physical form 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), i.e 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, (iii) self-attested copy of the shareholder’s PAN Card, (iv) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ joint Public Shareholders whose name(s) appears on the share certificate(s) in the same order in which they hold Equity 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 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.

- 8.5.2. 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 Exchange. 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, share certificate number, distinctive number of Equity Shares tendered etc.
- 8.5.3. 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 / speed post or courier or hand delivery to the Registrar to the Offer i.e. Link Intime India Private Limited (at the following address: C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India) within 2 (two) days of bidding by the Selling Broker i.e. by August 13, 2020 (by 5.00 p.m. (IST)). The envelope should be super scribed as "Jay Ushin Limited Open Offer". 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.
- 8.5.4. The Public Shareholders holding Equity Shares in physical form should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares in physical form shall be subject to verification as per the SEBI (SAST) 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'.
- 8.5.5. All documents as mentioned above, shall be enclosed with the Form of Acceptance, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Form of Acceptance instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders; (iii) If the Public Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company / registrar of the Target Company.
- 8.5.6. In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of having the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

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

8.6. Procedure for tendering the shares in case of non-receipt of LOF:

- 8.6.1. Persons who have acquired the 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 LOF, may also participate in this Offer.

8.6.2. A Public Shareholder may participate in the Open Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in the LOF and the Form of Acceptance.

8.6.3. In case the Public Shareholder holds Equity Shares in dematerialised form:

In case of non-receipt of Letter of Offer, Public Shareholder(s) can access the Letter of Offer and the Form of Acceptance on the website of the Registrar to the Offer, the Stock Exchange and the Manager to the Offer at <https://linkintime.co.in/client-downloads.html>, www.bseindia.com, and www.ambit.co, respectively. Further, a Public Shareholder who wishes to obtain a copy of the Letter of Offer and the Form of Acceptance may send a request to the Registrar to the Offer at the email id mentioned at the cover page of the Letter of Offer stating the name, address, number of Equity Shares held, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a copy of the Letter of Offer shall be provided to such Public Shareholder. A Public Shareholder may participate in the Open Offer by using the Form of Acceptance obtained in the manner described above or by providing their application in writing on a plain paper signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares being tendered and other relevant documents as mentioned in the LOF. Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Open Offer.

8.6.4. In case the Eligible Shareholder holds Equity Shares in physical form:

A Public Shareholder may participate in the Open Offer by providing an application in writing on a plain paper signed by all shareholder(s) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares being tendered and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Public Shareholders' PAN card(s), executed share transfer form in favour of the Acquirer and other necessary documents. The share transfer form (SH-4) can be downloaded from the Registrar's website i.e. <https://linkintime.co.in/client-downloads.html>. Public Shareholders/ Selling Broker must ensure that the Form of Acceptance, along with TRS and the requisite documents (as mentioned in paragraph 8.5 above), reach the Registrar to the Offer no later than within 2 (two) days of bidding by the Selling Broker i.e. by August 13, 2020 (by 5.00 p.m. (IST)). If the signature(s) of the Public Shareholder(s) provided in the plain paper application differs from the specimen signature(s) recorded with the Target Company / registrar of the Target Company or are not in the same order (although attested), such applications are liable to be rejected.

8.7. Acceptance of Shares

8.7.1. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

8.7.2. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer and the PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner.

8.7.3. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer and the PAC will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

8.8. Settlement Process

8.8.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager 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 the shares transferred to the Clearing Corporation.

- 8.8.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 8.8.3. The Public Shareholders holding shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes, keep their depository participant account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated acceptance.
- 8.8.4. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to the demat account. If the relevant Public Shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI/ relevant 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.
- 8.8.5. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.
- 8.8.6. 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.
- 8.8.7. The Public Shareholders will have to ensure that they keep the depository participant ("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.
- 8.8.8. Excess Equity Shares in dematerialized form or unaccepted Equity Shares in dematerialized form, if any, tendered by the Public Shareholders would be released to them by the Clearing Corporation. 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.
- 8.8.9. The direct credit of Equity Shares shall be given to the demat account of Acquirer as indicated by the Buying Broker.
- 8.8.10. 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 the Acquirer.
- 8.8.11. In case of partial or non-acceptance of orders, the balance Equity Shares in dematerialized form shall be returned directly to the demat accounts of the Public Shareholders by the Clearing Corporation. 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. Any Equity Shares that are: (i)

subject matter of litigation; or (ii) held in abeyance or prohibited/ restricted from being transferred pursuant to any pending court cases / attachment orders / restriction from other statutory authorities; are liable to be rejected unless directions/ orders of an appropriate court/ tribunal/ statutory authority permitting the transfer of such Equity Shares are received together with the Equity Shares tendered under the Open Offer.

- 8.8.12. Selling Broker would issue a contract note to the respective Public Shareholder for the Equity Shares accepted under the Open Offer. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer.
 - 8.8.13. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number to the Acquirer and/or the PAC. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
 - 8.8.14. Public Shareholders who intend to participate in the Open 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 Open Offer (secondary market transaction). The Open 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 Acquirer and the Manager accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 8.9. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer and the PAC for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to the Acquirer and the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

9. NOTE ON TAXATION

THE INFORMATION PROVIDED BELOW SETS OUT THE INCOME-TAX IMPLICATIONS ON TENDERING OF LISTED EQUITY SHARES ON THE RECOGNISED STOCK EXCHANGE UNDER AN OPEN OFFER IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES UNDER THE TAX LAWS PRESENTLY IN FORCE IN INDIA. THE FOLLOWING OVERVIEW IS NOT EXHAUSTIVE OR COMPREHENSIVE AND IS NOT INTENDED TO BE A SUBSTITUTE FOR PROFESSIONAL ADVICE.

ELIGIBLE EQUITY SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES ON TENDERING OF LISTED EQUITY SHARES OF THE TARGET COMPANY, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION.

THE LAW STATED BELOW IS AS PER THE IT ACT AS AMENDED UPTO FINANCE ACT, 2020.

9.1. General:

- 9.1.1. 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.
- 9.1.2. 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 IT Act.

- 9.1.3. 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) and income received by such persons in India. In case of shares of a company, the source of income from shares would 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.
- 9.1.4. Accordingly, since the Target Company is incorporated in India, the Target Company's shares are deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares is taxable in India under the IT Act.
- 9.1.5. 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 a tax resident subject to satisfying the 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.
- 9.1.6. The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder, nature of the income earned, etc.
- 9.1.7. All references to equity shares herein refer to listed equity shares unless stated otherwise.

9.2. **Classification of Shareholders**

Shareholders can be classified under the following categories:

9.2.1. Resident Shareholders being:

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

9.2.2. Non-Resident Shareholders being:

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

9.3. **Classification of Shares**

The characterization of gains/losses, arising from sale of shares, as Capital Gains or Business Income would depend on the nature of holding in the hands of the shareholder and various other factors. Shareholders are also required to refer to Circular No.6/2016 dated February 29, 2016 issued by the Central Board of Direct Taxes ("CBDT"). The nature of gains/loss in the foregoing cases will be as under:

- 9.3.1. Shares held as investment: Income arising from transfer of shares taxable under the head "Capital Gains"
- 9.3.2. Shares held as stock-in-trade: Income arising from transfer taxable under the head "Profits and Gains from Business or Profession"

9.4. Taxability of Capital Gains in the hands of the Shareholders:

9.4.1. Capital gains in the hands of shareholders would be computed as per the provisions of Section 48 of the IT Act and the rate of income-tax would depend on the period of holding.

9.4.2. Period of Holding: Depending on the period for which the shares are held, the gains would be taxable as 'short term capital gain' or 'long-term capital gain'. Such classification would be determined as under:

Short-term Capital Asset ("STCA"): Equity shares held for less than or equal to 12 months

Long-term Capital Asset ("LTCA"): Equity share held for more than 12 months

9.4.3. Accordingly, gains arising from transfer of a STCA are taxable as 'Short-term Capital Gains' ("STCG"). Gains arising from transfer of a LTCA are taxable as 'Long-term Capital Gains' ("LTCG").

9.4.4. As per Section 112A of the IT Act, LTCG arising on sale of listed equity shares will be subject to tax at the rate of 10% if Securities Transaction Tax ("STT") has been paid on both, on purchase and sale of shares (except in certain cases notified by CBDT *vide* Notification No. 60/2018 dated October 1, 2018) and if the aggregate LTCG during the financial year exceeds INR 1 lakh. The said rate will be increased by applicable surcharge and cess. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.

9.4.5. Such LTCG will be computed without considering the indexation benefit. The cost of acquisition will be computed in accordance with the provisions of Section 55 read with Section 112A of the IT Act.

9.4.6. STCG realized on sale of listed equity shares (STT paid) will be subject to tax at the rate of 15% under Section 111A of the IT Act. The said rate will be increased by applicable surcharge and cess. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.

9.4.7. As per the seventh proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.

9.4.8. Further the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders.

The provisions of Section 115JB of the IT Act do not apply to a foreign company if it is a resident of a country with which India has entered into a DTAA under Section 90/90A of the IT Act and the assessee does not have a Permanent Establishment in India or such company is a resident of a country with which India does not have such agreement and the assessee is not required to seek registration under any law for the time being in force, relating to companies.

9.4.9. As per Section 70 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.

9.4.10. Long Term Capital Loss computed for a given year is allowed to be set off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.

9.4.11. Additional information in case of Foreign Institutional Investors ("FIIs"):

- (i) As per Section 2(14) of the IT Act, any securities held by a FII which has invested in the equity shares in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, will be treated as capital assets. Accordingly, any gains arising from transfer of such securities will be chargeable to tax in the hands of FIIs as capital gains.
- (ii) The provisions of Indirect transfer in terms of Explanation 5 to Section 9 of the IT Act do not apply to non-resident investors in FIIs referred to in Section 115AD and Category-I and Category-II Foreign Portfolio Investor (“FPI”) registered under Securities and Exchange Board of India (FPI) Regulations, 2014.
- (iii) Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 15%,
- (iv) Under Section 115AD(1)(iii) of the IT Act, income by way of LTCG arising from transfer of shares will be chargeable to tax at the rate of 10%. Provided that in case of income arising from the transfer of a LTCA referred to in Section 112A, income-tax at the rate of 10% will be calculated on such income exceeding Rs. 1 lakh.

Such capital gains would be computed without giving effect to the first and second proviso to Section 48. In other words, adjustment in respect of foreign exchange fluctuation and benefit of indexation would not allowed while computing the Capital Gains.

- (v) The above rates are to be increased by applicable surcharge and cess.
- (vi) Further, no deduction under Chapter VI-A would be allowed in computing STCG and as well as LTCG.
- (vii) The CBDT has *vide* Notification No. 9/2014 dated January 22, 2014 notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.

9.4.12. Additional Information in case of Non-resident Indians (“NRIs”):

Where the shares of the Target Company were acquired or purchased in convertible foreign exchange, NRIs, i.e. individuals being citizen of India or person of Indian origin who are not resident, have the option of being governed by the provisions of Chapter XII-A of the IT Act, which *inter alia* entitles them to the following benefits:

- (i) Under Section 115E of the IT Act, the LTCG arising to an NRI will be taxable at the rate of 10 % (plus applicable surcharge and cess). While computing the LTCG, the benefit of indexation of cost would not be available.
- (ii) Under Section 115F of the IT Act, LTCG arising to an NRI from the transfer of the shares acquired or purchased in convertible foreign exchange shall be exempt from income-tax, if the net consideration is reinvested in specified assets, within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within 3 (three) years from the date of their acquisition.
- (iii) Under Section 115G of the IT Act, it will not be necessary for an NRI to furnish his return of income under Section 139(1) of the IT Act if his income chargeable under the IT Act consists of only investment income or LTCG or both; arising out of assets acquired, purchased or subscribed to in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.

- (iv) As per provisions of Section 115-I of the IT Act, an NRI may elect not to be governed by provisions of Chapter XII-A and compute his total income as per other provisions of the IT Act.

9.4.13. Section 90(2) of the IT Act, provides relief to a non-resident, where there is a DTAA between India and the country of residence of the non-resident shareholder and the provisions of the DTAA are more favorable to the taxpayer, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

9.4.14. Investment Funds:

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

9.4.15. Mutual Fund

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

9.5. **Taxability of Business Income in the hands of the Shareholders:**

9.5.1. Where gains realized from sale of listed equity shares are taxable as business income, they will be taxable at applicable tax rates to such shareholders.

9.5.2. In terms of Section 36(1)(xv) of the IT Act, STT paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head “Profit and gains of business or profession”, if the income arising from taxable securities transaction is included in such income.

9.5.3. Section 90(2) of the IT Act, provides relief to a non-resident, where there is a DTAA between India and the country of residence of the non-resident shareholder and the provisions of the DTAA are more favorable to the taxpayer, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

9.6. **Withholding Tax implications:**

9.6.1. Remittance/Payment of Consideration

- (i) Resident shareholders:

In the absence of any provisions under the IT Act casting an obligation on the buyer to deduct tax on income arising in the hands of the resident seller on transfer of any property (other than immovable property), the Acquirer and/or the PAC is not required to withhold tax on the consideration payable to eligible shareholders pursuant to tendering of shares under the Open Offer.

- (ii) Non-resident shareholders – FIIs

Section 196D of IT Act, provides for a specific exemption from withholding tax at source from any income, by way of Capital Gains arising to an FII from the transfer of securities

referred to in Section 115AD of the IT Act. Thus, no withholding of tax is required in case of consideration payable to FIIs/FPIs.

(iii) Non-resident shareholders (other than FIIs):

Each non-resident shareholder will confirm its status by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement.

Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax under the provisions of the IT Act is required to deduct tax at source at applicable rates in force.

However, the Acquirer and/or the PAC will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirer and/or the PAC to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer and/or the PAC to the non-resident shareholders.

Since the tendering of shares under the Open Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is on the non-resident shareholder given that practically it is not possible to withhold taxes. It is therefore recommended that the non-resident shareholders consult their custodians / authorized dealers / tax advisors appropriately.

9.6.2. Remittance/Payment of Interest

(i) In case of interest, if any, paid by the Acquirer and/or the PAC to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18 (11) of the SEBI (SAST) Regulations, the Acquirer and/or the PAC will deduct TDS at the applicable rates in accordance with the provisions of the IT Act, so long as a Permanent Account number (“**PAN**”) is submitted by the shareholders. In case the PAN is not submitted or is invalid or does not belong to the shareholder, the applicable withholding tax rate would be the higher of 20% or at the rate in force or at the rate specified in the relevant provisions of the IT Act. The provisions of Section 206AA will not apply if the non-resident shareholder provides to the payer the following documents:

- a. name, e-mail id, contact number;
- b. address in the country or specified territory outside India of which the shareholder is a resident;
- c. Tax Residency Certificate with details prescribed under rule 37BC or TRC with 10F if the TRC does not contain all such prescribed;
- d. Tax Identification Number/ Unique Identification Number of the shareholder.

(ii) The TDS on interest payment as mentioned above is subject to the following exemptions:

- a. Resident shareholders:
 - There will be no TDS if interest payable does not exceed Rs 5,000/-
 - There will be no TDS on interest payable to the following parties:
 - any banking company to which the Banking Regulation Act, 1949 (10 of 1949), applies;
 - any co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank);
 - any financial corporation established by or under a Central, State or Provincial Act;
 - the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956);

- the Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963); and
- any company or co-operative society carrying on the business of insurance.
- There will be no TDS in the case of a SEBI registered mutual fund as per Section 10(23D) of the IT Act;
- There will be no TDS for any entity which is exempted as such by any notification issued under Section 197A (1F) of the IT Act;
- Nil or lower rate of TDS (as applicable) will be applied if the shareholder furnishes a certificate from the Income tax authorities under Section 197 of the IT Act

b. Non-resident shareholders:

Shareholders claiming benefit of DTAA should submit Tax Residency Certificate, Form 10F, Self-declaration confirming 'No permanent establishment in India' and such other documentation required to substantiate their claim as per the relevant provisions of the DTAA along with the Form of Acceptance. In the absence of the aforesaid documents, taxes would be deducted in accordance with Paragraph 9.6.2(iii).

- (iii) Notwithstanding any of the above, in case of ambiguity, incomplete or conflicting information, or the information not being provided to the Acquirer and/or the PAC, the Acquirer and/or the PAC will arrange to deduct tax at the maximum marginal rate, as may be applicable to the relevant category to which the shareholder belongs under the IT Act (i.e. 40% in case of foreign company, 30% in case of all other category of persons, plus applicable surcharge and cess) on the interest payable to such shareholder.

9.7. Documents to be provided alongwith the Form of Acceptance:

9.7.1. Resident shareholders claiming that no tax is to be deducted or tax to be deducted at a lower rate on the interest amount, should submit a self-attested copy of the PAN card, and any of the following documents, as may be applicable:

- (i) Certificate under Section 197 of the IT Act from the income-tax authorities indicating the amount of tax to be deducted by the Acquirer and/or the PAC;
- (ii) Self-attested declaration in respect of status of shareholder (e.g. individual, firm, company, trust, or any other – please specify) and residential status as per IT Act;
- (iii) Self-declaration in Form 15G / Form 15H (in duplicate), if applicable
- (iv) SEBI registration certificate as a mutual fund;
- (v) Documentary evidence (e.g. copy of relevant registration or notification) in support of the claim that the shareholder is a bank or entity covered in Section 194A(3)(iii) of the IT Act; and
- (vi) SEBI registration certificate issued as Category I or Category II Alternative Investment Fund if the shareholder claims exemption from tax deduction under Section 197A (1F) of the IT Act.

9.7.2. Non- resident shareholders claiming that no tax is to be deducted or tax to be deducted at a lower rate on the interest amount, should submit the following documents, as may be applicable:

- (i) Self-attested copy of PAN Card; or
 - a. name, e-mail id, contact number;

- b. address in the country or specified territory outside India of which the shareholder is a resident;
 - c. Tax Residency Certificate;
 - d. Form 10F; and
 - e. Tax Identification Number/ Unique Identification Number of the shareholder.
- (ii) Tax Residency Certificate;
 - (iii) Form 10F;
 - (iv) Such other information and documentation as may be required depending upon the specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India;
 - (v) Certificate of lower or NIL withholding tax issued by income-tax authorities indicating the TDS rate/amount of tax to be deducted by the Acquirer and/or the PAC;
 - (vi) Self-attested declaration in respect of status of shareholder (e.g. individual, firm, company, trust, or any other – please specify) and residential status as per IT Act; and
 - (vii) SEBI registration certificate for FII and FPI.

9.8. **Tax Deduction Certificate**

The Acquirer and/or the PAC will issue a certificate in the prescribed form to the shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same, certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of the IT Act read with the Income-tax Rules, 1962 made thereunder.

9.9. **Rate of Surcharge and Cess**

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

9.9.1. Surcharge

- (i) 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 crores.
- (ii) In case of domestic companies liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable.
- (iii) 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 crores.
- (iv) In case of individuals, HUF, AOP, BOI:
 - a. Surcharge at the rate of 10% is leviable where the total income exceeds INR 50 lakh but does not exceed INR 1 crore.
 - b. Surcharge at the rate of 15% is leviable where the total income exceeds INR 1 crore but does not exceed INR 2 crore.
 - c. Surcharge at the rate of 25% is leviable where the total income exceeds INR 2 crore but does not exceed INR 5 crore.

- d. Surcharge at the rate of 37% is leviable where the total income exceeds INR 5 crore.
 - e. However, for the purpose of income chargeable under section 111A, 112A and 115AD (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%.
- (v) In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs. 1 crore.

9.9.2. Cess

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

9.10. Others

- 9.10.1. Notwithstanding the details provided above, all payments will be made to the shareholders subject to compliance with prevailing tax laws.
- 9.10.2. The tax deducted by the Acquirer and/or the PAC while making payment to a shareholder may not be the final tax liability of such shareholder and shall in no way discharge the obligation of the shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income-tax authorities.
- 9.10.3. The Acquirer and/or the PAC will deduct tax (if required) as per the information provided and representation made by the shareholders. 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 the shareholder, such shareholder will be responsible to pay such income-tax demand under the IT Act and provide the Acquirer and/or the PAC with all information/documents that may be necessary and co-operate in any proceedings before income tax / appellate authority in India.
- 9.10.4. The Acquirer and/or the PAC, and the Manager to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

THE ABOVE DISCLOSURE ON TAXATION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961. THE LEGISLATIONS, 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 ABOVE. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE ABOVE DISCLOSURES.

THE JUDICIAL AND 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.

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 PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE 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 INFORMATION ON TAXATION MENTIONED HEREIN IS ON THE BASIS THAT THE OPEN OFFER SHALL BE COMPLETED THROUGH THE STOCK

EXCHANGE SETTLEMENT MECHANISM MADE AVAILABLE BY STOCK EXCHANGES, AS PROVIDED UNDER THE SEBI (SAST) REGULATIONS AND SEBI CIRCULARS CIR/CFD/POLICYCELL/1/2015 DATED APRIL 13, 2015 AND CFD/DCR2/CIR/P/2016/131 DATED DECEMBER 09, 2016 AND BSE NOTICE NO. 20170202-34 DATED FEBRUARY 02, 2017, IN EACH CASE AS AMENDED FROM TIME TO TIME.

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 INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA SET OUT ABOVE SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

THE ACQUIRER AND THE PAC DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, ELIGIBLE EQUITY SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY IS INTENDED ONLY TO PROVIDE GENERAL INFORMATION TO THE SHAREHOLDERS AND IS NEITHER DESIGNED NOR INTENDED TO BE SUBSTITUTED FOR PROFESSIONAL TAX ADVICE. IN VIEW OF THE INDIVIDUAL NATURE OF TAX CONSEQUENCES, EACH SHAREHOLDER IS ADVISED TO CONSULT HIS/HER OWN TAX ADVISOR WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES ON TENDERING OF LISTED EQUITY SHARES OF THE TARGET COMPANY.

10. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by the Public Shareholders of the Target Company at the office of the Manager to the Offer - Ambit Capital Private Limited at Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 on any Working Day (except Saturdays and Sundays) between 10.30 am to 1.00 pm during the Tendering Period:

- 10.1. Certified copies of the constitution documents of the Acquirer and the PAC;
- 10.2. Copies of the audited consolidated financial statements of the Acquirer as of and for the financial years ended March 31, 2017, March 31, 2018, and March 31, 2019, audited by the independent statutory auditor of the Acquirer, and the consolidated financial statements of the Acquirer for the nine month period ended December 31, 2019, which has been subject to limited review by the independent statutory auditor of the Acquirer;
- 10.3. Copies of the consolidated financial statements of the PAC as of and for the twelve months ended November 30, 2016, thirteen months ended December 31, 2017, twelve months ended December 31, 2018, and three months ended March 31, 2019, audited by the independent statutory auditor of the PAC, and a copy of the certificate provided by the management of the PAC containing the key financial information of the PAC for the nine months ended December 31, 2019, which been derived from the audited consolidated financial statements of the Acquirer for the period from April 1, 2019 to December 31, 2019;
- 10.4. Copies of the annual reports of the Target Company for the financial years ended March 31, 2017, March 31, 2018, and March 31, 2019, and copies of the unaudited consolidated financial statements for the nine months ended December 31, 2019;
- 10.5. Copy of the announcement dated November 7, 2018, in regard to the Overseas Transaction;

- 10.6. Copy of the certificate dated May 20, 2020, issued by Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459) certifying the adequacy of financial resources of the Acquirer and the PAC to fulfill the Offer obligations;
- 10.7. Copy of the certificate dated May 20, 2020, issued by Ranjit Lal & Associates, Chartered Accountants (Membership number: 158459) certifying the computation of the Offer Price;
- 10.8. Copy of the Escrow Agreement dated March 13, 2020 entered into between the Acquirer, the Escrow Agent and the Manager to the Offer;
- 10.9. Copy of the letter received from the Escrow Agent, confirming receipt of a cash amount of INR 148,188,504 (Indian Rupees one hundred and forty eight million one hundred and eighty eight thousand five hundred and four only) in the escrow account on May 22, 2020;
- 10.10. Copy of PA dated May 20, 2020, the DPS published in the newspapers on May 28, 2020 and the offer opening public announcement;
- 10.11. Copy of the recommendation published by the committee of independent directors of the Target Company in relation to the Offer; and
- 10.12. Copy of communication dated July 15, 2020, received from SEBI containing their observations in regard to the DLOF.

The material documents will also be made available electronically for inspection during the Tendering Period at the following link: <http://ambit.co>. Public Shareholders interested in electronically inspecting the material documents can send an email from their registered email ids, with the subject line “Documents for Inspection – Jay Ushin Limited Open Offer”, to the Manager to the Open Offer on jayushinopenoffer@ambit.co, and upon receipt and processing of the request, access shall be provided to the respective Public Shareholder, for electronic inspection.

11. DECLARATION BY THE ACQUIRER AND THE PAC

- 11.1. The Acquirer and the PAC and their respective directors, in their capacity as directors, accept full responsibility for the information contained in this LOF including the Form of Acceptance (other than as specified in Paragraph 11.3 below).
- 11.2. The Acquirer and the PAC shall be jointly and severally responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations and for their obligations as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereto.
- 11.3. The information pertaining to the Target Company contained in the PA, the DPS, the DLOF or the LOF or any other advertisement/publications made in connection with the Open Offer has been compiled from publicly available sources or from information published or provided by the Target Company, which have not been independently verified by the Acquirer, the PAC or the Manager. The Acquirer and the PAC do not accept any responsibility with respect to any information provided in the PA, the DPS, the DLOF or the LOF pertaining to the Target Company.

EXECUTED by the Acquirer and the PAC acting through their duly authorised representatives

On behalf of **Minebea Mitsumi Inc. (Acquirer)**

On behalf of **U-Shin Ltd. (PAC)**

Sd/-

Sd/-

Name: Shigeru Tsukada
Authorised Signatory

Name: Mitsuyuki Takahashi
Authorised Signatory

Place: Tokyo, Japan
Date: July 20, 2020

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

[Public Shareholders holding shares in dematerialised form 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.]

JAY USHIN LIMITED

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the letter of offer dated July 20, 2020 (“LOF”))

| TENDERING PERIOD FOR THIS OPEN OFFER | |
|--------------------------------------|---------------------------|
| OPEN OFFER OPENS ON | Friday, July 31, 2020 |
| OPEN OFFER CLOSES ON | Thursday, August 13, 2020 |

To,

The Acquirer

C/o Link Intime India Private Limited
Unit: Jay Ushin Limited – Open Offer
C-101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai – 400 083
Tel: + 91 22 4918 6170/6174/6200
Email: jayushin.offer@linkintime.co.in

Dear Sirs,

Sub: Open Offer for acquisition of up to 1,004,770 (one million four thousand seven hundred and seventy only) fully paid up equity shares of face value of INR 10 (Indian Rupees ten only) each (“Equity Shares”) of Jay Ushin Limited (“Target Company”) from the Public Shareholders of the Target Company by Minebea Mitsumi Inc. (“Acquirer”) together with U-Shin Ltd., as the Person Acting in Concert with the Acquirer (“PAC”) (“Offer” / “Open Offer”).

I / We refer to the LOF dated July 20, 2020 for acquiring the Equity Shares held by me / us in the Target Company.

I / We, the undersigned, have read the PA, the DPS, LOF, and the issue opening public announcement, and understood their contents, including the terms and conditions mentioned therein, and unconditionally accept the same.

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

Details of Public Shareholder:

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

FOR EQUITY SHARES HELD IN PHYSICAL MODE:

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) | | | | TOTAL | |

Enclosures (whichever is applicable)

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

1. I / We confirm that the Offer Shares which are being tendered herewith by me / us under this Open Offer, are free from any pledges, liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.
2. I / We confirm that the sale and transfer of the Equity shares held by me/us will not contravene any applicable law and will not breach the terms of any agreement (written or otherwise) that I/we are a party to.
3. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the Equity Shares comprised in this application are owned by me / us and are sold and transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said Equity Shares, I / we will hold the Acquirer and the PAC, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these Equity Shares.
4. I / We have obtained any and all necessary consents to tender the Offer Shares on the foregoing basis.
5. 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 Offer Shares in this Open Offer and that I/we am/are legally entitled to tender the Offer Shares in this Open Offer.
6. I / We agree that the Acquirer and/or the PAC will pay the consideration as per secondary market mechanism only after verification of the certificates, documents and signatures, as applicable submitted along with this Form of Acceptance. I / We undertake to return to the Acquirer and/or the PAC any Open Offer consideration that may be wrongfully received by me / us.
7. I/We declare that regulatory approvals, if applicable, for holding the Offer Shares and/or for tendering the Offer Shares in this Open Offer are enclosed herewith.
8. I / We confirm that I / We are not persons acting in concert or persons deemed to be acting in concert with the Acquirer and/or the PAC.
9. I / We give my/our consent to the Acquirer and/or the PAC to file any statutory documents on my/our behalf in relation to accepting the Offer Shares in this Open Offer.
10. I / We note and understand that the Equity Shares/ original share certificate(s) and the transfer form(s) will be held by the Registrar to the Offer/ Clearing Corporation in trust for me / us till the date the Acquirer and the PAC make payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer form(s) and other documents are dispatched to the Public Shareholders, as the case may be.
11. I / We confirm that I / we are in compliance with the terms of the Open Offer set out in the PA, the DPS, and the LOF.
12. 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 Acquirer and/or the PAC to effectuate this Open Offer in accordance with the SEBI (SAST) Regulations.
13. I / We are / am not debarred from dealing in shares or securities.

14. I / We confirm that there are no taxes or other claims pending against me / us which may affect the legality of the transfer of Offer Shares under the Income Tax Act 1961, including but not limited to Section 281 of the Income Tax Act 1961. I / We confirm that no notice has been issued by the Income-tax authorities impacting the rights to transfer the shares.
15. I / We note and understand that the Offer Shares will be held by the Registrar to the Offer/ Clearing Corporation in trust for me / us till the date the Acquirer and/or the PAC makes payment of consideration as mentioned in the LOF, or the date by which other documents are dispatched to the Public Shareholders, as the case may be. I/We also note and understand that the consideration will be paid only to those Shareholders who have validly tendered their Equity Shares in this Offer, in accordance with the terms of the LOF.
16. 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 or any other payments, I / we will indemnify the Acquirer and/or the PAC for such income tax demand (including interest, penalty, etc.) and provide the Acquirer and/or the PAC with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.
17. I / We authorise the Acquirer and/or the PAC to accept the Offer Shares so offered or such lesser number of Offer Shares which the Acquirer and/or the PAC may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the LOF. I / we further authorize the Acquirer and/or the PAC to return to me / us, Equity Shares in respect of which this Open Offer is not found valid / not accepted, by registered post or ordinary post, unaccepted documents, if any, at my/our sole risk, without specifying the reasons thereof.
18. I/We, confirm that our residential status under the Income Tax Act is as below (tick whichever is applicable).
 - Resident
 - Non-Resident

If Non-Resident, please state the Country of tax residency: _____

(If none of the box is ticked, the residential status of Public Shareholder will be considered as non-resident, for withholding tax purposes)

I/We, confirm that my/ our status as a shareholder 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"/> FVCI |
| <input type="checkbox"/> Foreign Trust | <input type="checkbox"/> Private Equity Fund / AIF | <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"/> Domestic Company | <input type="checkbox"/> Domestic Trust | <input type="checkbox"/> Insurance Company | <input type="checkbox"/> Banks | <input type="checkbox"/> Others - please Specify |

FOR NRIs/ OCBs/ FIIs AND SUB-ACCOUNTS/ OTHER NON-RESIDENT SHAREHOLDERS:

I/We, confirm that my/ our investment status is (please provide supporting documents and “✓” whichever is applicable)

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

I/We, confirm that the Offer 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 or other regulatory approval was required by me for holding Offer Shares that have been tendered in this Open Offer and the Offer Shares are held under general permission of the RBI.
- Copies of all approvals required by me for holding Offer Shares that have been tendered in this Open 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 Offer Shares in this Open Offer.
- Copies of all approvals required by me for tendering Offer Shares in this Open 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, if applicable to be obtained in duplicate copy. (applicable only for interest payment, if any)
- No objection certificate / Tax clearance certificate from income tax authorities, for deduction of tax at a lower rate / NIL rate on income from sale of shares and interest income, if any, wherever applicable.
- For Mutual Funds / Banks / Notifies institutions under Section 194A(3)(iii) of the Income Tax Act, self-attested 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.
- SEBI Registration Certificate for FIIs / FPIs (mandatory to be submitted by FIIs/FPIs).
- SEBI registration certificate issued to Category I or Category II Alternative Investment Funds if such fund intends to claim exemption from TDS under Section 197A(1F) of the Income Tax Act.
- Declaration that the investment in the Equity Shares is in accordance with the applicable SEBI regulations (mandatory to be submitted by FIIs/FPIs).
- 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
- Duly attested death certificate and succession certificate / probate / letter of administration (in case of single Shareholder), in case the original Shareholder has expired
- Other relevant documents (Please specify) _____

BANK DETAILS

In order to avoid fraudulent encashment in transit, the Public Shareholders holding shares in physical form are requested to provide details of bank account of the sole/first Shareholder and the consideration payment will be drawn accordingly.

| | |
|--|---|
| Name of the Bank | |
| Branch Address and PIN Code | |
| Type of Account | Savings/ Current/ NRE/ NRO/ Others (tick whichever is applicable) |
| Account Number | |
| 9 digit MICR code | |
| IFSC Code (for RTGS/NEFT transfers) | |
| Other relevant details for remittance of funds to non-resident shareholders | |

* If payment is through RTGS / NEFT / NECS, please also enclose a photo-copy of a cheque drawn on the account in which payments will be made.

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 and the PAC for delay in payment of Offer consideration or a part thereof, the Acquirer and the PAC will deduct taxes at source at the applicable rates as per the Income Tax Act.

Yours faithfully, signed and delivered,

| | Full name | PAN | Signature |
|---------------------|------------------|------------|------------------|
| Sole/ First Holder | | | |
| Second Holder | | | |
| Third Public Holder | | | |

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

Place:

Date:

Acknowledgement Receipt – Jay Ushin Limited- Open Offer

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

Form of Acceptance-cum-Acknowledgement for Jay Ushin Limited - Open Offer as per details below:

Demat Shares: Copy of delivery instruction to depository participant of DP ID / Client ID _____ for _____ Equity Shares

Physical Shares: Number of Shares: _____; Share certificate(s) _____ transfer form(s) under Folio Number(s):

Date of Receipt:

Place of Receipt:

Stamp of Selling Broker:

Signature of Official:

INSTRUCTIONS

PLEASE NOTE THAT NO OFFER SHARES / FORMS OF ACCEPTANCE SHOULD BE SENT DIRECTLY TO THE ACQUIRER, THE PAC, 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 Open 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 Member by indicating the details of Equity Shares they intend to tender under the Open Offer.
4. In case of Offer Shares held in joint names, names should be filled in the same order in this Form and in the share transfer form(s), as the order in which they hold the Offer 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 Open Offer.
5. If the Offer Shares are rejected for any reason, the Offer Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
6. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the LOF in Paragraph 8 (*Procedure for Acceptance and Settlement of the Offer*).
7. 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.
8. All the Public Shareholders are advised to refer to Paragraph 9 (*Note on Taxation*) of the LOF. However, it may be noted that Shareholders should consult with their own tax advisors for the tax provisions applicable to their particular circumstances, as the details provided in Paragraph 9 of the LOF, as referred to above, are indicative and for guidance purposes only.
9. 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.
10. The Selling Broker(s) shall print the Transaction Registration Slip (TRS) generated by the exchange bidding system.
11. **As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with SEBI notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, and the press releases dated December 3, 2018 and March 27, 2019 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. However, in accordance with the Frequently Asked Questions dated February 20, 2020 issued by SEBI titled “FAQs – Tendering of physical shares in buyback offer /open offer/exit offer/delisting”, Public Shareholders holding Equity Shares 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.**
12. The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer will be required to approach their respective Selling Broker and submit the following set of documents for verification procedure as mentioned below:
 - a. Original share certificate(s)
 - b. Valid share transfer form(s), i.e Form SH-4, 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.

13. In case of unregistered owners of Equity Shares in physical mode, the Public Shareholder should provide an additional valid share transfer form(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 form should be left blank, except for the signatures and witness details. **PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE SHARE TRANSFER FORM.**
14. Attestation, where required (as indicated in the share transfer form) (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.
15. 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.
16. In case the share certificate(s) and the transfer form(s) are lodged with the Target Company/ its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgment with, or receipt by, the Target Company / its transfer agents, of the share certificate(s) and the transfer form(s).
17. 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.
18. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the LOF at Paragraph 8.
19. The Form of Acceptance or TRS is not required to be submitted to the Acquirer, the PAC, the Manager to the Offer or the Registrar to the Offer. Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance unless required by their respective Selling Broker. Equity Shares under lock-in will be required to fill the respective Forms of Acceptance-cum-Acknowledgment.
20. 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.
21. No indemnity regarding title is required from persons not registered as Public Shareholders.
22. Procedure for tendering the Offer Shares in case of non-receipt of LOF:
 - a. Public Shareholders may participate in the Open Offer by confirming their consent to participate in this Open Offer on the terms and conditions of this Open Offer as set out in the PA, the DPS, LOF, and the issue opening public announcement cum corrigendum. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in Paragraph 7 above. Public Shareholders must ensure that the Form of Acceptance, along with the TRS and requisite documents (as mentioned in Paragraph 7 above) should reach the Registrar to the Offer within 2 days of the close of Tendering Period. If the signature(s) of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Target Company or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.
 - b. Alternatively, such holders of Offer Shares may also apply on the form of acceptance in relation to this Open Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.
23. The procedure for acceptance and settlement of the Offer and the note on taxation have been provided in the LOF under Paragraphs 8 and 9, respectively.
24. The LOF along with Form of Acceptance is being dispatched to all the Public Shareholders as on the Identified Date. In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website (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 Offer Shares.
25. 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 and/or the PAC to purchase the Offer Shares so tendered. In the event any such approvals are not submitted, the Acquirer and/or the PAC 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.
26. In case of interest payments, if any, by the Acquirer and/or the PAC for delay in payment of Offer consideration or a part

thereof, the Acquirer and/or the PAC will deduct taxes at source at the applicable rates as per the Income Tax Act.

27. If the 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 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 covered 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 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, indicating the amount of tax to be deducted by the Acquirer and/or the PAC before remitting the amount of interest).
- Tax Residency Certificate, and a no 'permanent establishment' / business connection declaration.

In an event of non-submission of aforesaid documents as may be applicable, tax will be deducted at the maximum rate applicable to the relevant category to which the shareholder belongs, by the Acquirer and/or the PAC.

FOR DETAILED PROCEDURE IN RESPECT OF TENDERING OFFER SHARES IN THIS OPEN OFFER, PLEASE REFER TO THE LOF.

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



Link Intime India Private Limited
Unit: Jay Ushin Limited – Open Offer
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083
Tel: + 91 22 4918 6170/6174/6200; Fax: +91 22 4918 6195
Email: jayushin.offer@linkintime.co.in
Contact Person: Mr. Sumeet Deshpande
SEBI Registration No.: INR000004058