

**LETTER OF OFFER****‘This document is important and requires your immediate attention’**

This LoF (defined below) is being sent to you as the Equity Public Shareholder (defined below) of Sunshield Chemicals Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager (defined below) or the Registrar (defined below). In case you have recently sold your equity shares of Sunshield Chemicals Limited having a face value of INR 10.00/- (Rupees Ten Only) (“Equity Shares”), please hand over this LoF (defined below) and the accompanying Form of Acceptance cum Acknowledgement to the member of the stock exchange through whom the said sale was effected.

**OPEN OFFER BY**

Name of the Acquirer	Registered and Corporate Office Address	Contact Details	Email Address
Indus Petrochem Limited	1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India	022-25550126/ 27/28/29/30	<a href="mailto:info@induschem.net">info@induschem.net</a>

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

**FOR THE ATTENTION OF EQUITY PUBLIC SHAREHOLDERS OF SUNSHIELD CHEMICALS LIMITED**

**Corporate Identification Number:** L99999MH1986PLC041612;

**Registered Office and Corporate Office:** 1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India;

**Contact Details:** 022-25550126; **Website:** [www.sunshieldchemicals.com](http://www.sunshieldchemicals.com);

**Email Address:** [sunshieldchemicals@gmail.com](mailto:sunshieldchemicals@gmail.com); [investorservices@sunshieldchemicals.com](mailto:investorservices@sunshieldchemicals.com);

**Open Offer for the acquisition of up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares (“Offer Shares”), representing 26.00% (Twenty-Six Percent) of the Voting Share Capital (defined below) of Sunshield Chemicals Limited (“SCL” or “Target Company”) from the Equity Public Shareholders (defined below) of the Target Company, by Indus Petrochem Limited (“Acquirer”), at a price of INR 352.53/- (Indian Rupees Three Hundred and Fifty-Two point Five Three Only) per Equity Share (“Offer Price”) payable in cash, in accordance with the provisions of Regulations 3 (1) and 4 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto, (“SEBI (SAST) Regulations”) (“Offer”).**

**Please Note**

- This Offer is being made by the Acquirer, in pursuance of Regulations 3 (1) and 4 and other applicable provisions of the SEBI (SAST) Regulations;
- To the best knowledge of the Acquirer, other than the statutory approval as set out in Paragraph 7.12 titled as ‘Statutory approvals and conditions of the Offer’ on page 24 of this LoF (defined below), there are no other statutory approval(s) required by the Acquirer to complete this Offer;
- If there is any upward revision in the Offer Price and/or the Offer Size (defined below) at any time up to 1 (One) Working Day (defined below) prior to commencement of the Tendering Period i.e., Thursday, 27 January, 2022, in terms of the SEBI (SAST) Regulations, the Acquirer would (i) make corresponding increase to the escrow amount; (ii) shall inform by way of a public announcement in the same newspapers where the DPS (defined below) had appeared; and (iii) simultaneously notify the BSE (defined below), SEBI (defined below) and Target Company at its registered office, of such revision. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the LoF (defined below). If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, the same would be communicated within 2 (Two) Working Days (defined below) by an announcement in the same newspapers in which the DPS (defined below) had appeared;
- This is not a competitive offer as per Regulation 20 of the SEBI (SAST) Regulations;**
- This Offer is not subject to a minimum level of acceptance by the Equity Public Shareholders (defined below) of the Target Company and is not a conditional offer under Regulation 19 of the SEBI (SAST) Regulations;
- Equity Public Shareholders (defined below), who have accepted this Offer by tendering the requisite documents in terms of the LoF (defined below), shall not be entitled to withdraw such acceptance during the Tendering Period (defined below);
- Unless otherwise stated, the information set out in this LoF (defined below) reflects the position as of the date hereof;
- The procedure for acceptance is set out in Paragraph 8 titled as ‘Procedure for Acceptance and Settlement of the Offer’ on page 24 of this LoF (defined below);
- The PA (defined below), DPS (defined below), DLoF (defined below), and this LoF (defined below) would also be available on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in);

**CAPITALSQUARE**<sup>®</sup>

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**MANAGER TO THE OFFER**

**CAPITALSQUARE ADVISORS PRIVATE LIMITED**

208, 2<sup>nd</sup> Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (East), Mumbai- 400093, Maharashtra, India;

**Contact Details:** +91-22-6684 9999/ +91 9874283532;

**Fax Number:** +91-22-6684 9998;

**Website:** [www.capitalsquare.in](http://www.capitalsquare.in);

**Email Address:** [tanmoy.banerjee@capitalsquare.in](mailto:tanmoy.banerjee@capitalsquare.in)/  
[pankita.patel@capitalsquare.in](mailto:pankita.patel@capitalsquare.in);

**Contact Person:** Mr. Tanmoy Banerjee/ Ms. Pankita Patel;

**SEBI Registration No:** INM000012219;

**OFFER OPENING DATE:**

**FRIDAY, 28 JANUARY, 2022**



**Bigshare Services Pvt. Ltd.**

**REGISTRAR TO THE OFFER**

**BIGSHARE SERVICES PRIVATE LIMITED**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India;

**Contact Details:** +91-22-6263 8200;

**Fax Number:** +91-22-6263 8280;

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

**Email Address:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

**Contact Person:** Mr. Arvind Tandel;

**SEBI Registration Number:** INR000001385;

**OFFER CLOSING DATE:**

**THURSDAY, 10 FEBRUARY, 2022**

**TENTATIVE SCHEDULE OF THE MAJOR ACTIVITIES RELATING TO THIS OFFER**

Tentative Schedule of Activities	Original Schedule		Revised Schedule	
	Day	Date	Day	Date
Date of the PA	Monday	October 11, 2021	Monday	October 11, 2021
Date of publication of DPS in the newspapers	Monday	October 18, 2021	Monday	October 18, 2021
Last date of filing of the DLoF with SEBI	Tuesday	October 26, 2021	Tuesday	October 26, 2021
Last date for public announcement for a Competing Offer	Wednesday	November 10, 2021	Wednesday	November 10, 2021
Last date for receipt of SEBI observations on the DLoF (in the event SEBI has not sought clarifications or additional information from the Manager)	Thursday	November 18, 2021	Tuesday@	11 January, 2022@
Identified Date*	Tuesday	November 23, 2021	Thursday	13 January, 2022
Date by which the LoF will be dispatched to the Equity Public Shareholders whose names appear on the register of members on the Identified Date	Tuesday	November 30, 2021	Thursday	20 January, 2022
Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Equity Public Shareholders for this Offer	Friday	December 03, 2021	Tuesday	25 January, 2022
Last date for revising the Offer Price / Offer Size	Monday	December 06, 2021	Thursday	27 January, 2022
Date of publication of opening of Offer public announcement in the newspapers in which the DPS had been published	Monday	December 06, 2021	Thursday	27 January, 2022
Date of commencement of Tendering Period (“Offer Opening Date”)	Tuesday	December 07, 2021	Friday	28 January, 2022
Date of closing of Tendering Period (“Offer Closing Date”)	Monday	December 20, 2021	Thursday	10 February, 2022
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Equity Public Shareholders	Monday	January 03, 2022	Thursday	24 February, 2022

*Note:*

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

*\*Identified Date is only for the purpose of determining the names of the Equity Public Shareholders as on such date to whom the LoF would be sent;*

*There has been no competing offer as of the date of this LoF; and*

*@Actual date of receipt of SEBI’s final observations on the DLoF.*

## **RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OFFER AND PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRER**

**For capitalized terms used hereinafter, please refer to the definitions set out below:**

### **A. Risks relating to Underlying Transaction**

1. The Underlying Transaction is subject to (a) receipt of all statutory approval(s) as set out in Paragraph 7.12 titled as '*Statutory approvals and conditions of the Offer*' at page 24 of this LoF; (b) the satisfaction or waiver of the various conditions under the SPA, including those conditions set out in Paragraph 3.1.5 ('Details of the Offer') as at page 9 of this LoF. In the event such statutory approval(s) is refused or conditions under the SPA, including those set out in Paragraph 3.1.5 ('Details of the Offer') at page 9, are not satisfied or waived for reasons outside the reasonable control of the Acquirer, then the SPA may be rescinded, and the Offer may be withdrawn, subject to applicable law.
2. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

### **B. Risks relating to this Offer**

1. This Offer is a mandatory open offer to acquire up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company from the Equity Public Shareholders. If the Offer is oversubscribed, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis, and hence there is no certainty that all the Equity Shares tendered by the Equity Public Shareholders in this Offer will be accepted.
2. In the event that either: (a) regulatory approval is not received in a timely manner, or (b) there is any litigation leading to stay on this Offer, or (c) SEBI instructs the Acquirer not to proceed with this Offer, then this Offer process may be delayed beyond the schedule of activities indicated under this LoF. Consequently, payment of consideration to the Equity Public Shareholders of the Target Company whose Equity Shares have been accepted under this Offer as well as the return of the Equity Shares not accepted by the Acquirer, may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 18 (11) of the SEBI (SAST) Regulations, then SEBI may, if satisfied that the non-receipt of approvals was not attributable to any wilful default, negligence, or failure on the part of the Acquirer to diligently pursue such approvals, grant an extension for the purpose of the completion of this Offer, subject to the Acquirer agreeing to pay interest to the Equity Public Shareholders for the delay beyond 10<sup>th</sup> (Tenth) Working Day from the date of closure of Tendering Period, as may be specified by SEBI.
3. Equity Public Shareholders should note that the Equity Shares tendered by them and accepted under this Offer shall not be entitled to be withdrawn post-acceptance of such during the Tendering Period, even if the acceptance of such Equity Shares under this Offer and the payment of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar, till such time as the process of acceptance of tenders and the payment of consideration is completed.
4. Non-residents and overseas corporate bodies (the "OCBs") holding the Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them under this Offer. Further, if the Equity Public Shareholders who are not persons resident in India had required any approvals (including from the RBI or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered under this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Equity Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

5. This LoF has not been filed, registered, or approved in any jurisdiction outside India. Recipients of this LoF, resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to any new or additional registration requirements.
6. Equity Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this LoF.

**C. Risks involved in associating with the Acquirer**

1. The Acquirer intends to acquire up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company, at an offer price of INR 352.53/- (Indian Rupees Three Hundred and Fifty-Two point Five Three Only) per Equity Share, payable in cash, under the SEBI (SAST) Regulations. The Equity Shares and the documents tendered under this Offer will be held in trust by the Registrar until the completion of the Offer formalities, and thereafter the Equity Public Shareholders will not be able to trade in such Equity Shares. Post this Offer, the Acquirer will have significant equity ownership and effective management control over the Target Company, pursuant to Regulations 3 (1) and 4 of the SEBI (SAST) Regulations.
2. The Acquirer makes no assurance with respect to the market price of the Equity Shares during the Offer Period (defined below). During and upon the completion of this Offer, the Acquirer disclaims any responsibility with respect to any decision by the Equity Public Shareholders on whether or not to participate in this Offer. The Acquirer makes no assurance with respect to the financial performance of the Target Company.
3. The Acquirer and the Manager, accepts no responsibility for the statements made otherwise than in the PA, the DPS, the DLoF or this LoF or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager, and any person placing reliance on any other source of information would be doing so at its own risk.
4. Neither the Acquirer nor the Manager makes any assurance with respect to their investment or disinvestment relating to their proposed shareholding in the Target Company.

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

**Currency of Presentation**

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

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## 1. DEFINITIONS AND ABBREVIATIONS

Abbreviations	Particulars
Board	Board of Directors of the Target Company;
BSE	BSE Limited;
CDSL	Central Depository Services (India) Limited;
Clearing Corporation	Indian Clearing Corporation Limited;
DLoF/ Draft Letter of Offer	The DLoF dated Tuesday, October 26, 2021, filed and submitted with SEBI pursuant to Regulation 16 (1) of the SEBI (SAST) Regulations, for its observations;
DP	Depository Participant;
DPS	Detailed Public Statement published on behalf of the Acquirer on Monday, October 18, 2021, in the newspapers Financial Express (English daily) (All Editions), Jansatta (Hindi daily) (All Editions), and Mumbai Lakshadeep (Marathi daily) (Mumbai Edition) in connection with this Offer;
Equity Public Shareholders	All the equity shareholders of the Target Company excluding (a) the shareholders forming a part of the promoter/ promoter group of the Target Company; (b) parties to the SPA; and (c) any persons acting in concert or deemed to be acting in concert with the persons set out in (a) and (b);
Escrow Agreement	Escrow Agreement dated Monday, October 11, 2021, entered into between the Acquirer, the Escrow Banker and the Manager;
Escrow Account	The escrow account bearing number '3145701856' opened in the name and style of 'SCL - OPEN OFFER ESCROW ACCOUNT' by the Acquirer with the Escrow Banker, in accordance with the SEBI (SAST) Regulations;
Escrow Banker	Kotak Mahindra Bank Limited;
Identified Date	The date falling on the 10 <sup>th</sup> (Tenth) Working Day (defined below) prior to the commencement of the tendering period i.e., Thursday, 13 January, 2022, for the purpose of determining the Equity Public Shareholders to whom the LoF shall be sent;
IT Act	Income Tax Act, 1961, as amended and modified from time to time;
LoF	Letter of Offer dated Monday, 17 January, 2022;
Manager	CapitalSquare Advisors Private Limited;
Maximum Consideration	INR 67,39,65,443.88/- (Indian Rupees Sixty-Seven Crore Thirty-Nine Lakhs Sixty-Five Thousand Four Hundred and Forty-Three point Eight Eight Only) being the maximum consideration payable by the Acquirer, assuming full acceptance of the Offer;
Net Worth	Net worth of the Target Company;
NSDL	National Securities Depository Limited;
Offer Period	The period from the date of entering into an agreement, to acquire the Equity Shares, and Voting Share Capital in, or control over, the Target Company requiring a Public Announcement or the date on which the Public Announcement was issued by the Acquirer, i.e., Monday, October 11, 2021 and the date on which the payment of consideration to the Equity Public Shareholders whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be;
Offer Size	Up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company, subject to the terms and conditions mentioned in the PA, DPS, DLoF, and this LoF and any corrigendum thereto;
Public Announcement/ PA	Public Announcement issued on Monday, October 11, 2021;
PAN	Permanent Account Number;
Promoter/ Seller	Rhodia Amines Chemicals Pte Ltd.;
RBI	Reserve Bank of India;
RTA	Registrar and transfer agent;
Registrar	Bigshare Services Private Limited;

Abbreviations	Particulars
Return on Net Worth	Profit After Tax/ Net-Worth;
Sale Equity Shares	Acquisition of 45,85,196 (Forty-Five Lakhs Eighty-Five Thousand One Hundred and Ninety-Six) Equity Shares representing 62.36% (Sixty-Two point Three Six Percent) of the Voting Share Capital of the Target Company, pursuant to the SPA at a price of INR 179.4918/- (Indian Rupees One Hundred and Seventy-Nine Point Four Nine One Eight Only) per Equity Share aggregating to INR 82,30,05,099.00/- (Indian Rupees Eighty-Two Crore Thirty Lakhs Five Thousand and Ninety-Nine Only);
SCRR	Securities Contract (Regulation) Rules, 1957, as amended;
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992, including subsequent amendments thereto;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including subsequent amendments thereto;
Share Purchase Agreement/ SPA	The share purchase agreement dated Monday, October 11, 2021 entered amongst Indus Petrochem Limited, Rhodia Amines Chemicals Pte Ltd. and Sunshield Chemicals Limited;
Stock Exchange	The stock exchange where the Equity Shares of the Target Company are listed, i.e., BSE;
STT	Securities transaction tax;
Tendering Period	The period proposed to commence from Friday, 28 January, 2022, and close on Thursday, 10 February, 2022, both days inclusive;
TRS	Transaction registration slip;
Underlying Transaction	The transaction for sale and purchase of the Sale Equity Shares as contemplated under the SPA;
Voting Share Capital	The fully diluted equity voting share capital of the Target Company as on the 10 <sup>th</sup> (Tenth) Working Day (defined below) from the closure of the Tendering Period of this Offer; and
Working Day	Working days of SEBI as defined under the SEBI (SAST) Regulations;

#### Note

1. All capitalized terms used in this LoF and not specifically defined herein shall have the meaning as ascribed to them in the SEBI (SAST) Regulations; and
2. In this LoF, any reference to the singular will include the plural and vice-versa.

#### 2. DISCLAIMER CLAUSE

**‘IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT, THE SAME HAS BEEN CLEARED, VETTED, OR APPROVED BY SEBI. THIS LOF 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY PUBLIC SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THIS OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR FOR THE TARGET COMPANY WHOSE EQUITY SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR THE OPINIONS EXPRESSED IN THIS LOF. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL THE RELEVANT INFORMATION IN THIS LOF, THE MANAGER IS EXPECTED TO EXERCISE DUE-DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER, CAPITALSQUARE ADVISORS PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED TUESDAY, OCTOBER 26, 2021, TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THIS LOF DOES**

**NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THIS OFFER.’**

**General Disclaimer**

This LoF dated Monday, 17 January, 2022, together with the PA issued on Monday, October 11, 2021, the DPS published on Monday, October 18, 2021, and the DLoF dated Tuesday, October 26, 2021 in connection with this Offer, has been prepared for the purposes of compliance with 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. Non-delivery of this LoF, under no circumstances, creates any implication that there has been no change in the affairs of the Target Company and the Acquirer, 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 is under any obligation to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where such action would be required for that purpose. The LoF shall be sent to all Equity Public Shareholders whose names appear in the register of members and the beneficial owners of Equity Shares of the Target Company, at their stated address, as on the Identified Date. However, the 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 Equity Public Shareholder may tender his, her or its Equity Shares under this Offer in such jurisdiction.

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

**3. DETAILS OF THIS OFFER**

**3.1 Background of the Offer**

3.1.1 Pursuant to the execution of the SPA, this is a mandatory Offer, made by Acquirer, in compliance with the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations, to the Equity Public Shareholders of the Target Company, a company incorporated on November 19, 1986 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai.

3.1.2 On Monday, October 11, 2021, the Acquirer entered into an SPA with the Target Company and the Seller with an intention to acquire up to 45,85,196 (Forty-Five Lakhs Eighty-Five Thousand One Hundred and Ninety-Six) Equity Shares representing 62.36% (Sixty-Two point Three Six Percent) of the Voting Share Capital of the Target Company, at a negotiated price of INR 179.4918/- (Indian Rupees One Hundred and Seventy-Nine Point Four Nine One Eight Only) per Equity Share (“**Negotiated Price**”) for a total consideration of INR 82,30,05,099.00/- (Indian Rupees Eighty-Two Crore Thirty Lakhs Five Thousand and Ninety-Nine Only) (“**Purchase Price**”), payable in cash. In accordance with the provisions of Regulation 22 (2) of the SEBI (SAST) Regulations and terms and conditions set out in the SPA, the Acquirer has acquired the Sale Equity Shares from the Seller on Tuesday, November 30, 2021.

3.1.3 The details of the Seller, who has entered into the SPA is stated hereunder:

Sr. No.	Name, PAN, and address of the Seller	Nature of entity	Changes in the names in the past	Part of the Promoter/Promoter Group	Equity Shares held prior to SPA	% of Equity Shares
a)	<b>Rhodia Amines Chemicals Pte Ltd.</b> Permanent Account Number: AAFCR8737F Registration Number: 201012303K Registered Office: I Biopolis Drive, No. 05-01/06 Amnios, Singapore	A private limited company incorporated under the laws of Singapore	Not Applicable	Yes	45,85,196	62.36%
<b>Total</b>					<b>45,85,196</b>	<b>62.36%</b>

3.1.4 The Manager does not hold any Equity Shares of the Target Company as on the date of this LoF. The Manager further declares and undertakes that, they shall not deal in the Equity Shares of the Target Company on their own account during the Offer Period. Further, the Manager confirms that, as on date of this LoF, there are no directions subsisting or proceedings pending against them under the SEBI Act and the regulations made thereunder, and no other statutory approval is pending.

3.1.5 The salient features of the SPA are as follows:

- a. Conditions Precedent: The completion of transaction under the SPA is subject to the completion (or waiver) of certain conditions precedent, including but not limited to: (a) a written approval from the RBI permitting the Acquirer to purchase the Sale Equity Shares at the Purchase Price and satisfaction of any conditions imposed by the RBI (if any); (b) the deposit in an escrow account of an amount equal to the Maximum Consideration; (c) receipt of consents by the Seller and the Target Company from the lenders of the Target Company who have advanced loans to the Target Company; (d) no accident having occurred at the manufacturing facility of the Target Company which results in a significant damage to the assets comprised therein and which results in the operations being discontinued for a consecutive period of not less than 10 (ten) days, and that would result in death of a person or damage to the environment; and (e) the Seller having procured the Target Company to borrow an additional loan and use such loan to repay in full the outstanding loan amount borrowed by the Company from Solvay Specialities India Private Limited.
- b. Standstill obligations of the Target Company and the Seller (“Standstill Obligations”): From October 11, 2021 until the date of completion of the Underlying Transaction (“SPA Closing Date”), the Target Company and the Seller have agreed to certain standstill obligations which require the Target Company to undertake its business in the ordinary course of business. The standstill obligations which have been detailed in the SPA include *inter alia* obligations on the Target Company to: (a) not acquire, lease, sell, transfer or otherwise dispose of any assets otherwise than in the ordinary course of business; (b) not alter the scope of the business, or alter or amend its constitutional documents; (c) not declare or pay any dividend or make any other distributions to its shareholders; (d) not undertake any merger, demerger, reorganization, consolidation or amalgamation of the Target Company or any scheme of arrangement in relation to the Target Company; (e) not enter into any arrangements (or amend the terms of any existing arrangements) with related parties other than which are consistent with the past practices; (f) not incur any additional indebtedness other than in relation to any increase within the pre-sanctioned limits of working capital and overdraft facilities consistent with past practice; (g) not incur any capital expenditure other than in the ordinary course of business; (h) not create or agree to create any encumbrance over any of the assets etc.
- c. Timing of Deposit of 100% of the Maximum Consideration: In terms of the SPA, the Acquirer is required to deposit 100% (one hundred percent) of the Maximum Consideration in an escrow account in accordance with Regulation 17 read with Regulation 18 (5) (a) and Regulation 22 (2) of the SEBI (SAST) Regulations, upon fulfillment of certain conditions, which would enable the Acquirer to complete the transactions contemplated in the SPA prior to completion of this Offer.

- d. Closing Conditions: On the SPA Closing Date, the Acquirer shall disburse an unsecured loan of such amount as may be necessary for the repayment of the loans, in full, so advanced by the banks to the Target Company.
  - e. Board: On the SPA Closing Date, such directors (except for the independent directors) on the board of the Target Company as the Acquirer may require will resign as directors of the Target Company.
  - f. Reclassification of Existing Promoter: The parties to the SPA have agreed that the existing promoter shall be reclassified as a public shareholder after the consummation of the transactions contemplated in the SPA.
  - g. Non-Compete, Non-Solicit Restrictions and Transitional Arrangements: Under the SPA, the Seller has agreed to certain non-compete restrictions, and the Seller and the Acquirer have agreed to certain mutual non-solicit restrictions. The Seller has also agreed to: (a) provide certain transitional services for a period of 6 (Six) months from the SPA Closing Date; and (b) license certain trademarks for a period of 6 (Six) months from the SPA Closing Date.
  - h. Indemnities and Warranties: The Seller has provided customary indemnities and warranties to the Acquirer under the SPA.
  - i. Post-Closing Actions: Within 10 (Ten) days of the SPA Closing Date, the Company shall procure that all the bank guarantees and the corporate guarantees as set out in the SPA shall be unconditionally released on and with effect from the SPA Closing Date.
  - j. The SPA may be terminated, at any time: (a) prior to the SPA Closing Date by mutual written agreement of the Parties; or (b) if the closing has not occurred on or before the long stop date or such extended date as agreed to between the Acquirer and the Seller; (c) in the event the conditions precedent as set out in the SPA are not fulfilled by the Seller or the Purchaser (as may be applicable); (d) by the Acquirer, upon the occurrence of any accident between the execution date and the SPA Closing Date, at the manufacturing facility of the Target Company which results in a significant damage to the assets comprised therein and which results in the operations being discontinued for a consecutive period of not less than 10 (ten) days, and that would result in death of a person or damage to the environment.
  - k. This Offer is for acquisition of 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company. Post the consummation of the Underlying Transaction, the Acquirer holds 62.43 of the by virtue of which it is in a position to exercise effective management and control over the Target Company.
- 3.1.6 Pursuant to the consummation of the Underlying Transaction on Tuesday, November 30, 2021, in accordance with the terms of the SPA, Maya Parihar Malhotra, Jeet Sudhir Malhotra, Virendrasingh Dharamsingh Baidwal, and Anand Laxminarain Parihar, have been appointed as additional directors on the Board representing the Acquirer. Jeet Sudhir Malhotra has been designated as a Chief Executive Officer of the Target Company effective from Saturday, 01 January, 2022, Virendrasingh Dharamsingh Baidwal has been designated as a Managing Director of the Target Company effective from Saturday, 01 January, 2022.
- 3.1.7 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of the directions issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 3.1.8 As per Regulation 26 (6) and Regulation 26 (7) of the SEBI (SAST) Regulations, the Board is required to constitute a committee of independent directors who would provide written reasoned recommendation on this Offer to the Equity Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspaper where the DPS of this Offer was published.
- 3.2 Details of the proposed Offer**
- 3.2.1 The PA was issued on Monday, October 11, 2021 by the Manager, for and on behalf of the Acquirer. A copy of the said Public Announcement was filed with SEBI, BSE, and the Target Company on Monday, October 11, 2021.

3.2.2 In accordance with Regulation 14 (3) of the SEBI (SAST) Regulations, the DPS was published in the following newspapers on Monday, October 18, 2021 in accordance with the provisions of Regulation 14 (3) of the SEBI (SAST) Regulations:

<b>Publication</b>	<b>Language</b>	<b>Edition</b>
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai Edition

3.2.3 The DPS is also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), website of BSE at [www.bseindia.com](http://www.bseindia.com), and the website of Manager at [www.capitalsquare.in](http://www.capitalsquare.in).

3.2.4 The Acquirer had proposed to acquire from the Equity Public Shareholders of the Target Company up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares representing 26.00% (Twenty-Six Percent) of Voting Share Capital of the Target Company, at a price of INR 352.53/- (Indian Rupees Three Hundred and Fifty-Two point Five Three Only) per Equity Share, payable in cash, in accordance with the provisions of Regulation 9 (1) (a) and other applicable provisions of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the PA, the DPS, and this LoF.

3.2.5 The Target Company does not have any partly paid-up Equity Shares, and there are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. Further, none of the Equity Shares are subject to any lock-in obligations.

3.2.6 The Acquirer will accept all the Equity Shares of the Target Company, that are tendered in valid form in terms of this Offer up to a maximum of 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares representing 26.00% (Twenty-Six Percent) of Voting Share Capital of the Target Company in accordance with the terms and conditions set forth in this LoF and the SEBI (SAST) Regulations.

3.2.7 In pursuance of the terms of the SPA, on Tuesday, November 30, 2021, the Acquirer has acquired the Sale Equity Shares from the Seller for a total consideration of INR 82,30,05,099.00/- (Indian Rupees Eighty-Two Crores Thirty Lakhs Five Thousand and Ninety-Nine Only), paid in cash.

3.2.8 In terms of the Escrow Agreement and in accordance with the provisions of Regulation 17 (3) (a) of the SEBI (SAST) Regulations, the Acquirer has deposited INR 67,39,65,444.00/- (Indian Rupees Sixty-Seven Crore Thirty-Nine Lakhs Sixty-Five Thousand Four Hundred and Forty-Four Only), being 100.00% (One Hundred Percent) of the Maximum Consideration payable under this Offer, assuming full acceptance under this Offer.

3.2.9 No competing offer has been received as on date of this LoF.

3.2.10 There is no differential pricing in this Offer.

3.2.11 This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19 (1) of SEBI (SAST) Regulations.

3.2.12 This Offer not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.

3.2.13 This Offer is not pursuant to an indirect acquisition of Equity Shares of the Target Company.

3.2.14 The Equity Public Shareholders who tender their Equity Shares should ensure that the Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus, and rights offer declared hereafter and the tendering Equity Public Shareholder shall have obtained any and all necessary consents for it to sell the Equity Shares on the foregoing basis.

- 3.2.15 As on the date of this LoF, to the best of the knowledge of the Acquirer, other than the statutory approval as set out in Paragraph 7.12 titled as '*Statutory approvals and conditions of the Offer*' at page 24, no other statutory approvals are required by the Acquirer to complete this Offer. However, in case of any further statutory approval(s) being required by the Acquirer at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals.
- 3.2.16 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed CapitalSquare Advisors Private Limited as the Manager.
- 3.2.17 As per Regulation 38 of the SEBI (LODR) Regulations, read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25.00% (Twenty-Five Percent) of the public shareholding, on continuous basis for listing. However, pursuant to the consummation of the Underlying Transaction and pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company may fall below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations. In such an event, the Acquirer will ensure compliance with the minimum public shareholding requirements in the manner and the timeline prescribed under the applicable law.
- 3.2.18 As on date of this LoF, pursuant to the consummation of the Underlying Transaction, the Acquirer holds 45,85,196 (Forty-Five Lakhs Eighty-Five Thousand One Hundred and Ninety-Six) Equity Shares representing 62.36% (Sixty-Two point Three Six Percent) of the Voting Share Capital of the Target Company. Post-completion of this Offer, assuming full acceptance, the Acquirer will hold 64,96,992 (Sixty-Four Lakhs Ninety-Six Thousand Nine Hundred and Ninety-Two) Equity Shares constituting 88.36% (Eighty-Eight point Three Six Percent) of the Voting Share Capital of the Target Company.
- 3.3 Object of the Offer**
- 3.3.1 The prime object of this Offer is to have substantial holding of Equity Shares, and voting rights accompanied with the change in control and management of the Target Company.
- 3.3.2 The Acquirer has proposed to continue the existing business of the Target Company and may diversify its business activities in the future with the prior approval of the shareholders. The main purpose of this Offer is to expand the Target Company's business activities in same or diversified line of business through exercising effective control over the Target Company; however, no firm decision in this regard has been taken or proposed so far.
- 3.3.3 The Acquirer states that, it does not have any plans to dispose of or otherwise encumber any significant assets of the Target Company in the succeeding 2 (Two) years from the date of closure of this Offer, except: (a) in the ordinary course of business of the Target Company; and (b) on account of the regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed of, or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of Regulation 25 (2) of the SEBI (SAST) Regulations, and subject to such other provisions of applicable law as may be required.
- 3.3.4 The Acquirer has reserved the right to streamline or restructure, pledge, or encumber its holding in the Target Company and/ or the operations, assets, liabilities and/ or the businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets or undertakings and/ or re-negotiation or termination of the existing contractual or operating arrangements, at a later date in accordance with the relevant applicable laws. Such decisions will be taken in accordance with the procedures set out under the relevant applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances, from time to time.
- 3.3.5 As on date of this LoF, the Acquirer holds Sale Equity Shares aggregating to 62.36% (Sixty-Two point Three Six Percent) of the Voting Share Capital of the Target Company and is in a position to exercise effective management and control over the Target Company.

3.3.6 Post-completion of the transactions contemplated in the SPA on Tuesday, November 30, 2021, the Acquirer became the promoter of the Target Company and the Seller ceased to be the promoter of the Target Company, for which an application with BSE for reclassifying the Seller from the the category of “promoter/ promoter group”, in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations has been made. The same has been updated in the shareholding pattern filed by the Target Company for the quarter ending December 31, 2021 and disclosure for filing of the application in accordance with Regulation 31 (A) (8) (C) has been submitted to BSE on December 29, 2021.

#### 4 BACKGROUND OF THE ACQUIRER – INDUS PETROCHEM LIMITED

##### 4.1 Indus Petrochem Limited (Acquirer)

4.1.1 The Acquirer is a public limited company, limited by shares, incorporated under the name and style of ‘Omswaran Petrochemicals and Shipping Limited’ under the provisions of Companies Act, 1956, *vide* certificate of incorporation bearing registration number ‘11-94942’ dated December 01, 1995, and certificate of commencement business dated January 04, 1996, issued by the Registrar of Companies, Mumbai. The name of the Acquirer was changed from ‘Omswaran Petrochemicals and Shipping Limited’ to ‘Indus Petrochem Limited’ which was certified by issuance of a fresh certificate of incorporation dated May 04, 2006 consequent to the change of name issued by the Assistant Registrar of Companies, Belapur, Navi Mumbai. The Acquirer bears the corporate identification number ‘U23200MH1995PLC094942’, having Permanent Account Number ‘AAACO0971D’ under the Income Tax Act, 1961, having its registered and corporate office situated at 1501-A, Universal Majestic, P.L. Lokhande Marg, Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India, with contact details being 022-25550126 and 022-25550130, and email address being [info@induschem.net](mailto:info@induschem.net).

4.1.2 The Acquirer’s securities are not listed on any stock exchange in India or abroad. The Acquirer is a distributor / importer / trader of bulk oleochemicals and petrochemicals/ hydrocarbons based in Mumbai (India). The Acquirer has been trading and distributing oleochemicals since 1997. The Acquirer services a wide range of industries including paint and coatings, soaps and detergents, food emulsifier, surfactant, personal care, emulsion polymerization, textile lubricants, excipient pharma, ethoxylation, sulphonation, household industrial and institutional. In India, the Acquirer is in the business of distribution of products of P&G Chemicals, Shell and Solvay Chemicals. The Acquirer has a representative office in Singapore (Oriole Energy & Chemicals Pte Ltd.) and warehouse facilities for bulk liquid storage in Mumbai, Kandla, Pipavay, etc. The Acquirer has warehousing facilities in Bhiwandi, about 50 kilometres from JNPT port.

4.1.3 The authorized share capital of the Acquirer is INR 50,00,000.00/- (Indian Rupees Fifty Lakhs Only) comprising 5,00,000 (Five Lakh) equity shares and the issued, subscribed, and paid-up share capital of the Acquirer is INR 5,00,000.00/- (Indian Rupees Five Lakhs Only) comprising 50,000 (Fifty Thousand) equity shares. Sudhir Omprakash Malhotra HUF is the key shareholder of the Acquirer.

4.1.4 The promoter of the Acquirer, Sudhir Omprakash Malhotra HUF holds 82.00% (Eighty-Two Percent) of the equity and voting shares of the Acquirer. Sudhir Omprakash Malhotra is the Karta and the beneficial owner of Sudhir Omprakash Malhotra HUF.

4.1.5 The following are the disclosures of the board of directors of the Acquirer:

Name of the Directors*	Date of Appointment	Director Identification Number	No. of years of Experience	Qualification
Maya Parihar Malhotra	December 01, 1995	00302976	25 years	MD Pathology, DPB
Jeet Sudhir Malhotra	January 10, 2015	07208234	5 years	Bachelor of Technology in Mechanical Engineering
Virendrasingh Dharamsingh Baidwal	December 01, 2018	05237385	30 years	Bachelor of Science in Chemistry, Post-Graduation in Marketing Management

\*Anand Laxminarayan Parihar who was disclosed as the director of the Company in DLOF resigned as director in ordinary course on November 27, 2021.

4.1.6 The financial information of the Acquirer based on its unaudited standalone and consolidated financial statements for the period starting April 01, 2021 and ending September 30, 2021 which has been certified by the statutory auditor of the Acquirer, and audited standalone and consolidated financial statements for the financial years ending March 31, 2021, March 31, 2020, and March 31, 2019 are set out below:

<b>Profit and Loss Statement</b>								
<b>(Amount in INR Lakhs)</b>								
<b>Particulars</b>	<b>Standalone Financial Statements</b>				<b>Consolidated Financial Statements</b>			
	<b>For the period ending September 30, 2021</b>	<b>For the Financial Year ending March 31</b>			<b>For the period ending September 30, 2021</b>	<b>For the Financial Year ending March 31</b>		
		<b>2021</b>	<b>2020</b>	<b>2019</b>		<b>2021</b>	<b>2020</b>	<b>2019</b>
Income from operations	9,734.97	10,664.28	10,119.02	7,232.40	11,298.47	11,847.81	1,37,656.36	27,231.32
Other Income	314.07	858.57	2,189.26	1,125.15	289.58	892.81	2,422.49	1,147.96
<b>Total Income</b>	<b>10,049.05</b>	<b>11,522.85</b>	<b>12,308.28</b>	<b>8,357.55</b>	<b>11,588.05</b>	<b>12,740.62</b>	<b>1,40,078.85</b>	<b>28,379.28</b>
<b>Total Expenditure</b>	<b>9,214.49</b>	<b>10,513.84</b>	<b>10,732.89</b>	<b>7,734.25</b>	<b>10,460.25</b>	<b>11,796.25</b>	<b>1,39,567.83</b>	<b>25,553.53</b>
<b>Profit Before Depreciation Interest and Tax</b>	<b>838.22</b>	<b>1,263.97</b>	<b>2138.80</b>	<b>802.66</b>	<b>1,135.97</b>	<b>1,234.78</b>	<b>1088.15</b>	<b>3005.41</b>
Depreciation	1.03	1.03	1.33	2.11	2.60	10.95	15.05	2.42
Interest	2.63	253.94	562.08	177.24	5.57	279.46	562.08	177.24
<b>Profit Before Tax</b>	<b>834.56</b>	<b>1,009.00</b>	<b>1,575.39</b>	<b>623.31</b>	<b>1,127.80</b>	<b>944.37</b>	<b>511.02</b>	<b>2,825.75</b>
Less: Tax Expenses	0.20	0.24	(0.04)	(0.10)	0.22	24.92	151.10	323.60
<b>Profit After Tax</b>	<b>834.36</b>	<b>1,008.76</b>	<b>1,575.42</b>	<b>623.41</b>	<b>1,127.58</b>	<b>919.45</b>	<b>359.91</b>	<b>2,502.15</b>

<b>Balance Sheet</b>								
<b>(Amount in INR Lakhs)</b>								
<b>Particulars</b>	<b>Standalone Financial Statements</b>				<b>Consolidated Financial Statements</b>			
	<b>For the period ending September 2021</b>	<b>For the Financial Year ending March 31</b>			<b>For the period ending September 2021</b>	<b>For the Financial Year ending March 31</b>		
		<b>2021</b>	<b>2020</b>	<b>2019</b>		<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>(A) Sources of funds</b>								
Paid up share capital	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Reserves & Surplus (excluding revaluation reserves)	6,096.33	5,261.97	4,260.92	2,690.50	8,437.86	7,289.77	7,113.75	9,018.59
Net Worth	6,101.33	5,266.97	4,265.92	2,695.50	8,442.86	7,294.77	7,118.75	9,023.59
Non-Current Liabilities	0.78	0.58	0.34	0.37	0.78	0.58	0.34	0.37
Current Liabilities	8,070.26	2,003.02	4,037.39	5,048.94	8,619.90	1,226.23	5,950.73	9,102.00
<b>Total (A)</b>	<b>14,172.37</b>	<b>7,270.57</b>	<b>8,303.65</b>	<b>7,744.81</b>	<b>17,063.54</b>	<b>8,521.58</b>	<b>13,069.82</b>	<b>18,125.97</b>
<b>(B) Uses of funds</b>								
Net Fixed Assets	8.58	9.35	9.37	10.17	13.49	15.82	16.00	10.60
Non Current Investments	1,684.91	1,445.14	1,680.24	1,678.23	2,412.92	2,165.34	1,634.20	1,632.19
Other Non-Current Assets	-	-	-	-	-	-	-	-

Balance Sheet								
(Amount in INR Lakhs)								
Particulars	Standalone Financial Statements				Consolidated Financial Statements			
	For the period ending September 2021	For the Financial Year ending March 31			For the period ending September 2021	For the Financial Year ending March 31		
		2021	2020	2019		2021	2020	2019
Current Assets	12,478.88	5,816.08	6,614.04	6,056.41	14,637.14	6,340.43	11,419.63	16,483.18
<b>Total (B)</b>	<b>14,172.37</b>	<b>7,270.57</b>	<b>8,303.65</b>	<b>7,744.81</b>	<b>17,063.54</b>	<b>8,521.58</b>	<b>13,069.82</b>	<b>18,125.97</b>

- 4.1.7 As on the date of this LoF, except for: (a) The Acquirer holding 45,85,196 (Forty-Five Lakhs Eighty-Five Thousand One Hundred and Ninety-Six) Equity Shares representing 62.36% (Sixty-Two point Three Six Percent) of the Voting Share Capital of the Target Company, pursuant to the consummation of the Underlying Transaction; and (b) Sudhir Omprakash Malhotra (beneficial owner of the Sudhir Omprakash Malhotra HUF), being the beneficial owner of the key shareholder of the Acquirer, holding 700 (Seven Hundred) Equity Shares, representing 0.01% (zero point zero one percent) of the Voting Share Capital of the Target Company, none of its other shareholders, directors, or key employees of the Acquirer, hold any Equity Shares in the Target Company. As on date of this LoF, the Acquirer, its directors, and shareholders are related to the Target Company in the following manner: (a) The Acquirer being the Promoter and the shareholder of the Target Company pursuant to the consummation of the Underlying Transaction on Tuesday, November 30, 2021; (b) Sudhir Omprakash Malhotra (beneficial owner of the Sudhir Omprakash Malhotra HUF) being the shareholder of the Target Company, holding 700 (Seven Hundred) Equity Shares, representing 0.01% (zero point zero one percent) of the Voting Share Capital of the Target Company; (c) Maya Parihar Malhotra, Jeet Sudhir Malhotra, Virendrasingh Dharamsingh Baidwal, and Anand Laxminarain Parihar being appointed as the additional directors effective from Tuesday, November 30, 2021 pursuant to the consummation of the Underlying Transaction; and (d) The Target Company being the subsidiary of the Acquirer.
- 4.1.8 As on date of this LoF, the Acquirer does not belong to any group.
- 4.1.9 As on date of this LoF, the Acquirer is forming a part of the present promoter and promoter group of the Target Company, however, its directors, and key employees, are not forming a part of the present promoter and promoter group of the Target Company. Pursuant to consummation of the Underlying Transaction, Maya Parihar Malhotra, Jeet Sudhir Malhotra, Virendrasingh Dharamsingh Baidwal, and Anand Laxminarain Parihar have been appointed as the additional directors effective from Tuesday, November 30, 2021 for representing the Acquirer on the board of the Target Company; and Jeet Sudhir Malhotra has been designated as a Chief Executive Officer of the Target Company effective from Saturday, 01 January, 2022, Virendrasingh Dharamsingh Baidwal has been designated as a Managing Director of the Target Company effective from Saturday, 01 January, 2022.
- 4.1.10 The Acquirer, its directors, promoters, or key employees have not been categorized nor are appearing in the 'Wilful Defaulter' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.
- 4.1.11 The Acquirer, its directors, promoters, or key employees are not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.1.12 The Acquirer does not have any major contingent liabilities as on March 31, 2021.

## 5 BACKGROUND OF TARGET COMPANY – SUNSHIELD CHEMICALS LIMITED

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

- 5.1 Sunshield Chemicals Private Limited was incorporated on November 19, 1986 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai; and was converted into a public limited company under the name and style of Sunshield Chemicals Limited on May 28, 1992. The corporate identification number of the Target Company is ‘L99999MH1986PLC041612’, with its registered and corporate office situated at 1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India. Pursuant to consummation of the Underlying Transaction on November 30, 2021, the registered office of the Company was changed from Equinox Business Park, Tower - 4, 9th Floor Unit No. 903, LBS Marg, Kurla (West), Mumbai – 400070, Maharashtra, India (as disclosed in DLOF) to 1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India. All the necessary filing with the BSE and Registrar of the Company was done by the Target Company in this regard
- 5.2 As on the date of this LoF, the authorized share capital of the Target Company is INR 20,00,00,000.00/- (Indian Rupees Twenty Crore Only) comprising 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares and 50,00,000 (Fifty Lakhs) 7% (seven percent) non-cumulative redeemable preference shares having face value of INR 10.00/- (Indian Rupees Ten only) each (“NCRPS”). The issued, subscribed, and paid-up capital comprises 73,53,060 (Seventy-Three Lakhs Fifty-Three Thousand and Sixty) Equity Shares amounting to INR 7,35,30,600.00/- (Indian Rupees Seven Crore Thirty-Five Lakhs Thirty Thousand and Six Hundred only) Equity Shares.
- 5.3 As on date of this LoF, the paid-up capital structure of the Target Company is as follows:

<b>Particulars of Equity Share Capital</b>	<b>No. of Equity Shares and Voting Rights</b>	<b>% of Equity Shares and Voting Rights</b>
Fully paid-up Equity Shares	73,53,060	100.00%
Partly paid-up Equity Shares	Nil	Nil
Total paid-up Equity Shares	73,53,060	100.00%
Total voting rights	73,53,060	100.00%

- 5.4 As on date this LoF, the Target Company does not have any partly paid-up equity shares; and there are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. Further, none of the Equity Shares are subject to any lock-in obligations.
- 5.5 The entire Equity Share and Voting Share Capital of the Target Company is listed at BSE bearing International Securities Identification Number ‘INE199E01014’ and is placed under Group ‘X’ bearing Scrip Code ‘530845’ and Scrip ID ‘SUNSHIEL’. The Target Company has already established connectivity with CDSL and NSDL.
- 5.6 The Target Company is in compliance with the SEBI (LODR) Regulations, and as on date of this LoF, no penal action has been taken by BSE against the Target Company.
- 5.7 There has been no merger, demerger, or spin-off during the last 3 (Three) years.
- 5.8 Based on the information available on the BSE’s website, the Equity Shares of the Target Company are frequently traded on BSE in accordance with the provisions of Regulation 2 (1) (j) of the SEBI (SAST) Regulations.

5.9 The present Board of Directors of the Target Company are as follows\*:

Sr. No.	Name	Date of Appointment	Director Identification Number	Designation
1.	Laxmana Ranjal Shenoy	March 20, 2015	00074761	Independent Director and Chairman
2.	Ajit Chinubhai Shah	October 20, 2015	02396765	Independent Director
3.	Aruna Vilas Soman	June 01, 2017	03622209	Independent Director
4.	Maya Parihar Malhotra	November 30, 2021	00302976	Non-Executive Non-Independent Director
5.	Jeet Sudhir Malhotra	November 30, 2021	07208234	Chief Executive Officer
6.	Virendrasingh Dharamsingh Baidwal	November 30, 2021	05237385	Managing Director
7.	Anand Laxminarain Parihar	November 30, 2021	00513109	Executive Non-Independent Director
8.	Cyrus Poonevala	January 15, 2022	09420865	Independent Director

\*Lim Kim Swee, Manoj Khullar, Yock Jeng Goh, Mohit Jalote and Ronald Alan Lehman, who were nominees of the Seller and were disclosed as directors in the DLOF resigned as director of the Company pursuant to consummation of the Underlying Transaction on November 30, 2021.

#### 5.10 Financial Information

The brief financial information of the Target Company based on its audited standalone and consolidated financial statements for the quarter ended on 30 June 2021 and last 3 (Three) financial years ending March 31, 2021, March 31, 2020, and March 31, 2019 are as follows:

Profit and Loss Statement				
(Amount in INR Lakhs)				
Particulars	For the Quarter Ending June 30, 2021	For the Financial Year ending March 31		
		2021	2020	2019
Income from Operations	6,062	19,865	18,108	18,969
Other Income	5	26	124	228
<b>Total Income</b>	<b>6,067</b>	<b>19,891</b>	<b>18,232</b>	<b>19,197</b>
<b>Total Expenditure</b>	<b>5,595</b>	<b>18,229</b>	<b>18,009</b>	<b>19,001</b>
Exceptional Item	1,782	-	-	-
<b>Profit/ (Loss) before Tax, &amp; After Exceptional Item</b>	<b>2,254</b>	<b>1,662</b>	<b>119</b>	<b>22</b>
<b>Less: Tax Expense</b>				
Current Tax Expense for the year	574	288	13.55	-
Deferred Tax (Assets) / Liabilities	48	(44)	41.46	-
Tax Adjustments for Earlier Years	-	-	-	-
<b>Net tax expense</b>	<b>622</b>	<b>244</b>	<b>55.01</b>	<b>-</b>

Balance Sheet				
(Amount in INR Lakhs)				
Particulars	For the Quarter Ending June 30, 2021	For the Financial Year ending March 31		
		2021	2020	2019
<b>(A) Sources of funds</b>				
Paid-up share capital	735.31	735.31	735.31	735.31
Other Equity	--	1,878.94	446.85	391.72
<b>Net Worth</b>	<b>--</b>	<b>2,614.25</b>	<b>1,182.16</b>	<b>1,127.03</b>

<b>Balance Sheet</b>				
(Amount in INR Lakhs)				
Particulars	For the Quarter Ending June 30, 2021	For the Financial Year ending March 31		
		2021	2020	2019
<b>Non-Current Liabilities/ Non-Financial Liabilities</b>				
Borrowings	--	5,000.00	5,000.00	1,659.61
Other Liabilities	--	--	--	278.05
Provisions	--	67.39	62.32	54.67
Deferred Tax Liabilities	--	--	37.90	--
<b>Current Liabilities/ Financial Liabilities</b>				
Financial Liabilities	--	5,968.69	8,285.87	11,600.01
Provisions	--	83.74	19.07	10.44
Other Current Liabilities	--	75.46	103.11	55.11
<b>Total (A)</b>	--	<b>13,809.53</b>	<b>14,690.43</b>	<b>14,784.92</b>
<b>(B) Uses of funds</b>				
Inventories	--	2,609.33	2,872.32	2,756.12
Financial Assets	--	2,938.59	2,840.07	2,677.80
Cash & Cash Equivalents	--	297.13	105.00	187.08
Other Current Assets	--	789.01	1,380.59	1526.09
Current Investments	--	-	-	-
Non-Current Assets	--	6,788.27	7,157.25	7,211.32
Non-Current Investments	--	--	--	--
Current Tax Assets (Net)	--	--	--	--
Deferred Tax Assets (Net)	--	0.98	--	--
Other Non-Current Assets	--	386.22	335.20	426.51
<b>Total (B)</b>	--	<b>13,809.53</b>	<b>14,690.43</b>	<b>14,784.92</b>

<b>Other Financial Data</b>				
Particulars	For the Quarter Ending June 30, 2021	For the Financial Year ending on 31 <sup>st</sup> March		
		2021	2020	2019
Dividend (%)	Nil	Nil	Nil	Nil
Earnings Per Share (INR)	--	19.29/-	0.88/-	0.30/-
Return on Net worth (%)	--	54.26%	5.44%	1.97%
Book Value Per Share (INR)	--	35.55/-	16.08/-	15.33/-

**Notes:**

- (i)  $EPS = \text{Profit after tax} / \text{number of outstanding equity shares at the close of the year/ period}$ ;
- (ii)  $\text{Return on Net Worth} = \text{Profit after Tax} / \text{Net-Worth}$ ;
- (iii)  $\text{Book Value per Share} = \text{Net-Worth} / \text{No. of equity shares}$ ; and
- (iv) Source: Audited annual reports or audited financial statements or unaudited financial results.

5.11 Pre-Offer and Post-Offer shareholding of the Target Company (based on the issued, subscribed, and paid-up Equity Share capital), as on the date of this LoF:

Shareholders' Category	Shareholding/ voting rights prior to the SPA/ acquisition and Offer		Equity Shares/ voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Equity Shares/ voting rights to be acquired in Offer (assuming full acceptances)		Shareholding/ voting rights after 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	%
<b>(1) Promoter Group</b>								
a) Parties to the SPA								
(i) Rhodia Amines Chemicals Pte Ltd <i>(Now declassified from the Promoter category pursuant to execution of SPA)*</i>	45,85,196	62.36%	(45,85,196)	(62.36)%	--	--	--	--
(ii) Indus Petrochem Limited <i>[(2)(Acquirer)]* (Now classified in the Promoter category pursuant to execution of SPA)</i>	--	--	45,85,196	62.36%	19,11,796	26.00%	64,96,992	88.36%
b) Promoters other than specified in (a) above	--	--	--	--	--	--	--	--
<b>Total (1) = (a) + (b)</b>	<b>45,85,196</b>	<b>62.36%</b>	<b>(45,85,196)</b>	<b>(62.36)%</b>	<b>19,11,796</b>	<b>26.00%</b>	<b>64,96,992</b>	<b>88.36%</b>
<b>(2) Acquirer</b> <i>(Now classified in the Promoter category pursuant to execution of SPA) (As disclosed under (1)(a)(ii))*</i>	--	--	45,85,196	62.36%	19,11,796	26.00%	64,96,992	88.36%
<b>Total (2)</b>	--	--	<b>45,85,196</b>	<b>62.36%</b>	<b>19,11,796</b>	<b>26.00%</b>	<b>64,96,992</b>	<b>88.36%</b>
<b>(3) Parties to the SPA other than (1)</b>	--	--	--	--	--	--	--	--
<b>(4) Public (other than parties to the SPA and Acquirer)</b>								
a) FIs/ MFs/ FIIs/ Banks/ SFIs	700	0.01%	--	--	(19,11,796)	(26.00)%	8,56,068	11.64%
b) Central Government/ State Government(s)/ President of India	200	0.00%	--	--				
c) Non-Institutions	--	--	--	--				
Individual share capital upto INR 2,00,000.00/-	17,86,938	24.30%	--	--				

Shareholders' Category	Shareholding/ voting rights prior to the SPA/ acquisition and Offer		Equity Shares/ voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Equity Shares/ voting rights to be acquired in Offer (assuming full acceptances)		Shareholding/ voting rights after 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	%
Individual share capital in excess of INR 2,00,000.00/-	6,16,462	8.38%						
d) Others	3,63,564	4.94%						
<b>Total (4)</b>	<b>27,67,864</b>	<b>37.64%</b>	--	--	<b>(19,11,796)</b>	<b>(26.00)%</b>	<b>8,56,068</b>	<b>11.64%</b>
<b>GRAND TOTAL (1) + (3) + (4)*</b>	<b>73,53,060</b>	<b>100.00%</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>73,53,060</b>	<b>100.00%</b>

**Notes:**

- i. As per the shareholding pattern filed for the quarter ending December 30, 2021, there are 4,954 (Four Thousand Nine Hundred and Fifty-Four) Public Shareholders in the Company.
- ii. No Equity Shares are subject to lock-in; and
- iii. \*The Acquirer has acquired 45,85,196 (Forty-Five Lakhs Eighty-Five Thousand One Hundred and Ninety-Six) Equity Shares representing 62.36% (Sixty-Two point Three Six Percent) of the Voting Share Capital of the Target Company, from the Seller, pursuant to the consummation of the Underlying Transaction on Tuesday, November 30, 2021, and subsequently the Acquirer has filed the application for reclassification of Seller from the Promoter Group..

## 6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1 Justification of the Offer Price

- 6.1.1 The Equity Shares of the Target Company having International Securities Identification Number 'INE199E01014' are presently listed on BSE, bearing Scrip Code '530845' and Scrip ID 'SUNSHIEL'.
- 6.1.2 The total trading turnover in the equity shares of the Target Company on the BSE i.e., the nation-wide trading terminal based on trading volume during the 12 (Twelve) calendar months prior to the month of PA (October 01, 2020 to September 30, 2021) is as given below:

Stock Exchange	Total No. of Equity Shares traded during the Twelve calendar months prior to the month of Public Announcement	Total No. of listed equity shares of the Target Company	Total Trading Turnover (as % of total Equity Shares listed)
BSE Limited	25,02,267	73,53,060	34.03%

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

Based on the above information available on the website of BSE, the Equity Shares of the Target Company are frequently traded on BSE in accordance with the provisions of Regulation 2 (1) (j) of the SEBI (SAST) Regulations.

6.1.3 The Offer Price has been determined taking into account the parameters as set out under Regulation 8 (2) of the SEBI (SAST) Regulations, as under:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Price (INR per Equity Share)</b>
1.	Negotiated Price under the SPA;	INR 179.4918/-
2.	The volume weighted average price paid or payable for acquisitions by the Acquirer during 52 (Fifty-Two) weeks immediately preceding the date of PA;	Not Applicable
3.	The highest price paid or payable for acquisitions by the Acquirer during 26 (Twenty-Six) weeks immediately preceding the date of PA;	Not Applicable
4.	The volume weighted average market price of Equity Shares for a period of 60 (Sixty) trading days immediately preceding the date of the PA as traded on the BSE where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period	INR 352.53/-
5.	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Not Applicable
6.	The per Equity Share value computed under sub-regulation (5), if applicable	Not Applicable

In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manager, the Offer Price of INR 352.53/- (Indian Rupees Three Hundred and Fifty-Two Point Five Three) per Equity Share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations.

6.1.4 As on date of this LoF, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer would comply with Regulation 18 and all other applicable provisions of SEBI (SAST) Regulations.

6.1.5 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8 (9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted in the event of any corporate actions like bonus, rights issue, stock split, consolidation, dividend, demergers, and reduction etc. where the record date for effecting such corporate actions falls between the date of this LoF up to 3 (Three) Working Days prior to the commencement of the tendering period of the Offer, in accordance with Regulation 8 (9) of the SEBI (SAST) Regulations.

6.1.6 In the event of any acquisition of Equity Shares by the Acquirer 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 shall not acquire any Equity Shares after the 3<sup>rd</sup> (Third) Working Day prior to the commencement of the Tendering Period of this Offer and until the expiry of the Tendering Period of this Offer.

6.1.7 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. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding increase to the escrow amount; (ii) make an announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously notify the Stock Exchanges, SEBI and the Target Company at its registered office of such revision.

6.1.8 If the Acquirer acquires Equity Shares during the period of 26 (Twenty-Six) weeks after the Tendering Period at a price higher than the Offer Price, the Acquirer would pay the difference between the highest acquisition price and the Offer Price, to all Equity Public Shareholders whose Equity Shares have been accepted in the Offer within 60 (Sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Offer under SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity

Shares) Regulations, 2021, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

## 6.2 Financial Arrangements

- 6.2.1 The Acquirer has confirmed that it has sufficient means and capability for the purpose of fulfilling its obligations under the Offer and that firm financial resources/ arrangements through verifiable means are in place to fulfil the obligations under the Offer. After considering the aforementioned, Chartered Accountant Kishor Katudia, bearing membership number '105530', proprietor of K. S. Katudia & Co., Chartered Accountants, bearing firm registration number '129866W', having its office located at A-101, Lucky Tower, M.G. Cross Road No.4, Kandivli (West) Mumbai – 400067, Maharashtra, India with contact details being '+91-9833247948' and email address being [kishorkatudia@gmail.com](mailto:kishorkatudia@gmail.com) vide certificate dated Monday, October 11, 2021, has stated that sufficient resources are available with the Acquirer for fulfilling the obligations under this Offer in full, in terms of Regulation 25 (1) of the SEBI (SAST) Regulations.
- 6.2.2 The maximum consideration payable by the Acquirer to acquire up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company at the Offer Price of INR 352.53/- (Indian Rupees Three Hundred and Fifty-Two point Five Three Only), assuming full acceptance of the Offer would be INR 67,39,65,443.88/- (Indian Rupees Sixty-Seven Crore Thirty-Nine Lakhs Sixty-Five Thousand Four Hundred and Forty-Three point Eighty Eight Only). The Acquirer, the Manager and the Escrow Banker have entered into the Escrow Agreement. Pursuant to the Escrow Agreement and in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account under the name and style of 'SCL - Offer Escrow Account' with Escrow Banker and has deposited INR 67,39,65,444.00/- (Indian Rupees Sixty-Seven Crore Thirty-Nine Lakhs Sixty-Five Thousand Four Hundred and Forty-Four Only) in the Escrow Account, being 100.00% (One Hundred Percent) of the Maximum Consideration.
- 6.2.3 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the chartered accountant, the Manager is satisfied about the ability of the Acquirer to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.
- 6.2.4 In case of upward revision of the Offer Price and/ or the Offer Size, the Acquirer would deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18 (5) of the SEBI (SAST) Regulations, prior to effecting such revision.

## 7 TERMS AND CONDITIONS OF THE OFFER

- 7.1 The LoF will be mailed to all those Equity Public Shareholders of the Target Company (except the parties to the SPA) (i) whose names appear on the register of members and to the beneficial owners of the Equity Shares of the Target Company, at the close of business hours on the Identified Date; (ii) whose names appear on the beneficial records of the Depository Participant, at the close of business hours on the Identified date; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer but who are not the registered Public Shareholders.
- 7.2 Accidental omission to dispatch the LoF or the non-receipt or delayed receipt of the LoF will not invalidate this Offer in any way.
- 7.3 Subject to the conditions governing this Offer, as mentioned in the LoF, the acceptance of this Offer by the Equity Public Shareholder/s must be absolute and unqualified. Any acceptance to this Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 7.4 In terms of the Regulation 18 (9) of the SEBI (SAST) Regulations, the Equity Public Shareholders who tender their Equity Shares in this Offer shall not be entitled to withdraw such acceptance.

- 7.5 The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, all rights of dividends, bonuses or rights from now on and declared hereafter.
- 7.6 Each Equity Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- 7.7 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 (1) of SEBI (SAST) Regulations.
- 7.8 The Identified Date for this Offer as per the schedule of activities is Thursday, 13 January, 2022.
- 7.9 The Acquirer reserves 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 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 BSE, the SEBI and the Target Company at its registered office of such revision. In case of any revision of the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the LoF.

**7.10 Locked-in Shares**

None of the Equity Shares of the Target Company are subject to lock-in. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (One).

**7.11 Eligibility for accepting the Offer**

- 7.11.1 The LoF shall be mailed to all the Equity Public Shareholders and/or beneficial owners holding Equity Shares in dematerialized form (except the present promoter group shareholders and the Acquirer) whose names appear in register of Target Company as on the Identified Date.
- 7.11.2 This Offer is also open to persons who own Equity Shares in Target Company but are not registered Equity Public Shareholders as on the Identified Date.
- 7.11.3 All Equity Public Shareholders and/or beneficial owners (except the present promoter group shareholders, and the Acquirer) who own Equity Shares of the Target Company any time before the closure of this Offer are eligible to participate in this Offer.
- 7.11.4 The Acquirer has appointed Bigshare Services Private Limited as the Registrar bearing SEBI Registration Number 'INR000001385', having office at 1<sup>st</sup> Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059, Maharashtra, India, bearing contact details such as contact number 022-62638200, email address being investor@bigshareonline.com and website at bigshareonline.com. The Contact Person Mr. Arvind Tandel can be contacted from 10:00 a.m. (Indian Standard Time) to 5:00 p.m. (Indian Standard Time) on Working Days during the Tendering Period of this Offer.
- 7.11.5 The PA, the DPS, the DLoF, this LoF and the Form of Acceptance will also be available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of the LoF, all Equity Public Shareholders including unregistered Equity Public Shareholders, if they so desire, may download the LoF, the Form of Acceptance from the website of SEBI for applying in this Offer.
- 7.11.6 Unregistered Equity Public Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Equity Public Shareholders.

- 7.11.7 The acceptance of this Offer by the Equity Public Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 7.11.8 The acceptance of this Offer is entirely at the discretion of the Equity Public Shareholder(s)/ beneficial owner(s) of the Equity Shares of the Target Company.
- 7.11.9 The Acquirer, Manager or Registrar accept no responsibility for any loss of Equity Share certificates, offer acceptance forms, and share transfer deed, etc., during transit and the Equity Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.11.10 The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager.
- 7.11.11 The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of this Offer.
- 7.11.12 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/ attachment orders/ restriction from other statutory authorities wherein the Equity Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/ orders are passed regarding the free transferability of such Equity Shares tendered under the Offer prior to the date of closure of the Tendering Period.
- 7.11.13 All Equity Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with such other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

## 7.12 **Statutory Approvals and conditions of the Offer**

- 7.12.1 The prior approval from the Reserve Bank of India for change in control and management of the Target Company is not required for the purpose of this Offer, as the Target Company is not a non-banking finance company.
- 7.12.2 To the best of the knowledge of the Acquirer, there are no statutory or other approvals required to complete the Offer as on the date of this LoF. If, however, any statutory or other approval becomes applicable prior to the completion of such acquisitions, the Offer would also be subject to such other statutory or other approval(s) being obtained. The Seller had waived the requirement of obtaining RBI approval as stated in paragraph 3.1.5 as the authorized dealer bank of the Acquirer had inform the Acquirer and the Seller that such RBI approval was not required.
- 7.12.3 All Equity Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares tendered in this Offer.

7.12.4 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that the delay in receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time, subject to the Acquirer agreeing to pay interest to the Equity Public Shareholders as directed by SEBI, in terms of Regulation 18 (11) of SEBI (SAST) Regulations. Further, if the delay occurs on account of wilful default by the Acquirer 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.

## 8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1 This Offer will be implemented by the Acquirer, through stock exchange mechanism as provided under the SEBI (SAST) Regulations and the SEBI circular bearing reference number ‘CIR/CFD/POLICY/CELL/1/2015’ dated April 13, 2015 and SEBI circular bearing reference number ‘CFD/DCR2/CIR/P/2016/131’ dated December 09, 2016 issued by SEBI and on such terms and conditions as may be permitted by law from time to time.

8.2 BSE shall be the designated stock exchange (“**Designated Stock Exchange**”) for the purpose of tendering Equity Shares in this Offer.

8.3 The facility for the acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on BSE, which shall be the Designated Stock Exchange, in the form of a separate window (“**Acquisition Window**”).

8.4 For implementation of this Offer, the Acquirer has appointed Nikunj Stock Brokers Limited (“**Buying Broker**”) through whom the purchases and settlements on account of this Offer would be made by the Acquirer. The contact details of the Buying Broker are as follows:

<b>Name</b>	<b>Nikunj Stock Brokers Limited;</b>
<b>Address</b>	A-92, Gf, Left Portion, Kamla Nagar, New Delhi - 110007, India;
<b>Contact Details</b>	+011-47030000-01;
<b>Email Address</b>	<a href="mailto:info@nikunjonline.com">info@nikunjonline.com</a> ;
<b>Contact Person</b>	Mr. Pramod Kumar Sultania;

8.5 All the Equity Public Shareholders who desire to tender their Equity Shares under this Offer would have to approach their respective stockbrokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.

8.6 The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized Equity Shares only.

8.7 The cumulative quantity tendered shall be displayed on the BSE’s website throughout the trading session at specific intervals by BSE during Tendering Period.

8.8 Equity Public Shareholders can tender their Equity Shares only through a broker with whom the shareholder is registered as client (Know-Your-Customer compliant).

8.9 All Equity Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

- 8.10 The payment of consideration shall be made to all the Equity Public Shareholders, who have tendered their Equity Shares in acceptance of the Offer within 10 (Ten) Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Equity Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/ pay order/ demand drafts/ electronic transfer. It is desirable that Equity Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/ demand draft/ pay order.
- 8.11 **Procedure for Equity Shares held in physical form**
- 8.11.1 In accordance with the Frequently Asked Questions issued by SEBI, '*FAQs – Tendering of physical shares in buyback offer/open offer /exit offer /delisting*' dated February 20, 2020 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the shareholders holding securities in physical form are allowed to tender shares in offer through tender offer route. However, such tendering shall be as per the provisions of respective regulations.
- 8.11.2 Equity Public Shareholders who are holding physical Equity Shares and intend to participate in the Offer shall approach Selling Broker. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the exchange bidding system. TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., No. of Equity Shares, etc.
- 8.11.3 After placement of order, the Selling Broker(s)/ eligible shareholders must ensure that the delivery of the Form of Acceptance-cum-Acknowledgement is duly completed and signed in accordance with the instructions contained therein along with the complete set of documents (for verification procedures to be carried out) *inter alia* (a) original share certificate(s); (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company; (c) self-attested copy of the shareholder's PAN Card; (d) TRS; and (e) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable either by registered post or courier or hand delivery to the Registrar (at the address mentioned on the cover page not later than 2 (Two) days from the offer closing date by 5:00 p.m. The envelope should be superscripted as '**SCL Open Offer**'. One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Selling Broker.
- 8.11.4 In addition, if the address of the Equity Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Equity Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- 8.11.5 Equity Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. The acceptance of the physical Equity Shares for the Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- 8.11.6 Equity Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the escrow demat account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 8.11.7 Equity Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of Equity Shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):

- a) Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired;
- b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s); and
- c) No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance.

#### **8.12 Procedure for tendering the Equity Shares**

- 8.12.1 The Equity Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Equity Shares they wish to tender in this Offer.
- 8.12.2 The Selling Broker shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation before placing the bids/ orders and the same shall be validated at the time of order entry.
- 8.12.3 For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 8.12.4 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 of this Offer.
- 8.12.5 Upon placing the bid, the Seller member(s) shall provide TRS generated by the exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid-ID No., DP-ID, Client-ID, No. of Equity Shares tendered, etc.
- 8.12.6 The Equity Public Shareholders will have to ensure that they keep the account with the depository participant account and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.

### **9 ACCEPTANCE OF EQUITY SHARES**

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

### **10 PROCEDURE FOR TENDERING THE EQUITY SHARES IN CASE OF NON-RECIPT OF THE LoF**

- 10.1 Equity Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LoF, may also participate in this Offer.
- 10.2 An Equity Public Shareholder may participate in this Offer by approaching their broker/ Selling Broker and tender Equity Shares in this Offer as per the procedure mentioned in the LoF.
- 10.3 The LoF along with the Form of Acceptance will be dispatched to all the eligible Equity Public Shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the LoF, such eligible shareholders of the Target Company may download the same from the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a

copy of the same from the Registrar on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

- 10.4 The LoF along with the Form of Acceptance would also be available at website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and Equity Public Shareholders can also apply by downloading such forms from the said website.
- 10.5 Alternatively, in case of non-receipt of the LoF, the eligible Equity Public Shareholders holding the Equity Shares may participate in this Offer by providing their application in plain paper in writing 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 tendered and other relevant documents as mentioned in Paragraph 8.11 titled as '*Procedure for Equity Shares held in physical form*' at page 26 of this LoF. Such eligible Equity Public Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

## **11 SETTLEMENT PROCESS**

- 11.1 On closure of this Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar and the final list shall be provided to the BSE to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- 11.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. The Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favor of Clearing Corporation.
- 11.3 The direct credit of Equity Shares shall be given to the demat account of the Acquirer indicated by the Acquirer's Buying Broker. The Buying Broker will transfer the funds pertaining to this Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 11.4 For the same, the existing facility of client direct payout in the capital market segment shall be available.
- 11.5 The Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under this Offer.
- 11.6 Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the Buying Broker's pool account.
- 11.7 In case of partial or non-acceptance of orders or excess pay-in, demat Equity Shares shall be released to the securities pool account of the Selling Broker(s)/ custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance Equity Shares to the Equity Public Shareholders.

## **12 SETTLEMENT OF FUNDS OR PAYMENT CONSIDERATION**

For Equity Public Shareholders holding Equity Shares in demat:

- 12.1 The settlements of fund obligation for demat Equity shares shall be effected by Clearing Corporation. For the Equity Shares accepted under this Offer, the payment will be made by the Clearing Corporation to the Equity Public Shareholders directly to their bank account.
- 12.2 The payment will be made to the Buying Broker for the settlement. For Equity Shares accepted under this Offer, the Equity Public Shareholders will receive funds payout in their settlement bank account.
- 12.3 The funds received from Buyer Broker by the Clearing Corporation will be released directly, to the Equity Public Shareholder.

- 12.4 Equity Public Shareholder who intends to participate in this Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Equity Public Shareholders for tendering Equity Shares in this Offer (secondary market transaction). The consideration received by the selling Equity Public Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 12.5 In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18 (11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirer pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Equity Public Shareholders whose Equity Shares have been accepted in the Offer.

### **13 NOTE ON TAXATION**

- 13.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e., income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be 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. The 'Situs' of the shares is generally where a company is 'incorporated'. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be considered to be 'situated' in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.

Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said Equity Public Shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument (MLI) as ratified by India with the respective country of which the said Equity Public Shareholder is a tax resident and (b) non-applicability of General Anti-Avoidance Rule ('GAAR') and (c) maintaining necessary information and documents as prescribed under the IT Act.

- 13.2 Gains arising from the transfer of shares may be treated either as 'capital gains' or as 'business income' for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates.
- 13.3 Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.
- 13.4 In addition to income tax, as the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to STT. STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% (zero point one percent) of the value of security transacted.

### 13.5 Taxability of capital gain in the hands of the Equity Public Shareholders:

13.5.1 The Finance Act, 2018, vide Section 112A of IT Act, has imposed an income tax on long-term capital gains at the rate of 10% (Ten Percent) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the capital gains tax would be calculated on gains exceeding INR 1,00,000/- (Indian Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

13.5.2 As per section 111A of the IT Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent) for Equity Public Shareholders (except certain specific categories).

13.5.3 Any applicable surcharge and education cess would be in addition to above applicable rates.

13.5.4 In case of resident Equity Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Equity Public Shareholders pursuant to the Offer. However, in case of non-resident Equity Public Shareholders, since the Offer is through the recognized stock exchange, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non-resident Equity Public Shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/ payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident Equity Public Shareholders. The responsibility to discharge the tax due on the gains (if any) is on the non-resident Equity Public Shareholders. It is therefore recommended that the non-resident Equity Public Shareholder may consult their custodians/ authorized dealer's/ tax advisors appropriately.

13.6 In the event the Acquirer is held liable for the tax liability of the Equity Public Shareholder, the same shall be to the account of the Equity Public Shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident Equity Public Shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

### 13.7 Remittance/Payment of Interest:

13.7.1 In case of interest, if any, paid by the Acquirer to resident and non-resident Equity Public Shareholder for delay in receipt of statutory approvals as per Regulation 18 (11) of the SEBI (SAST) Regulations or in accordance with Regulation 18 (11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the Equity Public Shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorization of the interest, whether as capital gains or as other income). In the event the Acquirer is held liable for the tax liability of the Equity Public Shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.

13.7.2 The Equity Public Shareholders must file their tax return in India *inter alia* considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Offer. The Equity Public Shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

13.7.3 The tax implications are based on provisions of the IT Act as applicable as on date of this LoF. In case of any amendment made effective prior to the date of closure of this Offer, then the provisions of the IT Act as amended would apply.

13.7.4 Notwithstanding the details given above, all payments will be made to the Equity Public Shareholders subject to compliance with prevailing tax laws. The final tax liability of the Equity Public Shareholder shall remain of such Equity Public Shareholder and the said Equity Public Shareholder will appropriately disclose the amounts received by it, pursuant to this Offer, before the Indian income tax authorities.

**13.8 THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE EQUITY PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND THE MANAGER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.**

#### **14 DOCUMENTS FOR INSPECTION**

14.1 The copies of the following documents will be available for inspection at the registered office of the Manager, CapitalSquare Advisors Private Limited 208, 2<sup>nd</sup> Floor, AARPEE Center, MIDC Road No. 11, CTS 70, Andheri (East), Mumbai-400093, Maharashtra, India on any Working Day between 10:00 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the period this Offer is open i.e., from Friday, 28 January, 2022, to Thursday, 10 February, 2022:

14.2 Memorandum and Articles of Association and Certificate of Incorporation of the Acquirer and the Target Company;

14.3 Memorandum of Understanding between the Manager and the Acquirer;

14.4 Memorandum of Understanding between the Registrar and the Acquirer;

14.5 Certificate dated Monday, October 11, 2021 issued by Chartered Accountant Kishor Katudia, bearing membership number '105530', proprietor of K. S. Katudia & Co., Chartered Accountants, bearing firm registration number '129866W', having its office located at A-101, Lucky Tower, M.G. Cross Road No.4, Kandivli (West) Mumbai – 400067, Maharashtra, India with contact details being '+91-9833247948' and Email Address being [kishorkatudia@gmail.com](mailto:kishorkatudia@gmail.com), stating that sufficient resources are available with Acquirer for fulfilling the obligations under this Offer in full;

14.6 Audited annual reports of the Target Company for the last 3 (Three) financial years ending March 31, 2021, March 31, 2020, and March 31, 2019;

14.7 Consolidated and standalone audited financial statements for the last 3 (Three) of the Acquirer for financial years ending March 31, 2021, March 31, 2020, and March 31, 2019; and certified financial result for half-year ending September 30, 2021, of the Acquirer;

14.8 Confirmation letter dated Wednesday, October 13, 2021, received from Kotak Mahindra Bank Limited for required amount kept in the Escrow Account;

14.9 SPA dated Monday, October 11, 2021, between the Seller and the Acquirer, which triggered this Offer;

14.10 PA issued on Monday, October 11, 2021, and published copy of the DPS on behalf of the Acquirer on Monday, October 18, 2021, in the newspapers;

14.11 Recommendations to be made by the Committee of Independent Directors of the Target Company;

- 14.12 SEBI Observation Letter bearing reference number ‘SEBI/HO/CFD/DCR-III/OW/1585/1’ dated Tuesday, 11 January, 2022; and
- 14.13 Escrow Agreement between the Acquirer, Escrow Bank and Manager.

## **15 DECLARATION BY THE ACQUIRER**

In this LoF, for the disclosures relating to the Target Company and the Seller, the Acquirer has relied on the information provided by the Target Company and/ or the Seller or which has been obtained from the publicly available sources and has not independently verified the accuracy of details of the Target Company and/ or the Seller. The Acquirer and its directors in their capacity as directors of the Acquirer accept the responsibility for the information contained in this LoF with respect to the Acquirer. The Acquirer shall be responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations and for its obligations as laid down in the SEBI (SAST) Regulations.

**On behalf of the Acquirer  
Indus Petrochem Limited**

**Virendrasingh Baidwal  
Director  
Date: Monday, 17 January, 2022  
Place: Mumbai**

## FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,  
**The Acquirer**  
C/o **Bigshare Services Private Limited**  
**Unit: Sunshield Chemicals Limited – Offer**  
1<sup>st</sup> Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road,  
Marol, Andheri (East), Mumbai – 400059, Maharashtra, India

**Date:**

TENDERING PERIOD FOR THE OFFER	
Offer Opens on	Friday, 28 January, 2022
Offer Closes on	Thursday, 10 February, 2022

Dear Sir/ Ma'am,

**Subject: Offer by Indus Petrochem Limited (“Acquirer”) for acquisition of up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of Sunshield Chemicals Limited (“Target Company”)**

I/We refer to the Letter of Offer dated Monday, 17 January, 2022, for acquiring the Equity Shares held by us in Sunshield Chemicals Limited.

I/We, the undersigned have read the Letter of Offer, understood its contents including the terms and conditions as mentioned therein.

### EQUITY SHARES HELD IN PHYSICAL FORM

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

Sr. No.	Ledger folio No.	Certificate No.	Distinctive No.		No. of Equity Shares
			From	To	
<b>Total number of Equity Shares</b>					

*(In case of insufficient space, please use additional sheet and authenticate the same)*

I/We note and understand that the original Equity Share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar until the time the Acquirer pays the purchase consideration as mentioned in the LoF.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

**Enclosures** (please provide the following and ✓ whichever is applicable):

- Original Equity Share certificates.
- Valid share transfer deed(s) duly filled, stamped, and signed by the transferor(s) (i.e., by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- Form of Acceptance (FOA) – signed 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.
- Photocopy of Transaction Registration Slip (TRS) Self attested copy of PAN card of all the transferor(s).
- 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.
- Any other relevant document (but not limited to) such as Power of Attorney (if any person apart from the Shareholder has signed the FOA), 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. Shareholders of the Target Company holding physical Equity Shares should note that Physical Equity Shares will not be accepted unless the complete set of documents are submitted.

### FOR ALL EQUITY PUBLIC SHAREHOLDERS (HOLDING EQUITY SHARES IN DEMAT OR PHYSICAL FORM)

I/We confirm that the Equity Shares which are being tendered herewith by me/us under this Offer, are free from 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 and that I/we have obtained any necessary consents to sell the equity shares on the foregoing basis.

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

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

I/We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the certificates, documents, and signatures, as applicable submitted along with this FOA.

I/We undertake to return to the Acquirer any Offer consideration that may be wrongfully received by me/us.

I/We give my/our consent to file form FCTRS, if applicable, on my/our behalf.

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 to effect this Offer in accordance with the SEBI (SAST) Regulations.

I /We am/are not debarred from dealing in Equity Shares.

I /We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager and the Registrar and in terms of the LoF and I/we further authorize the Acquirer to return to me/us in the demat account/share certificate(s) in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We further agree to receive a single share certificate for the unaccepted Equity Shares in physical form.

In case of demat shareholders, I /We note and understand that the Equity Shares would be kept in the pool account of my/our broker and the lien will be marked by Clearing Corporation until the Settlement Date whereby the Acquirer make payment of purchase consideration as mentioned in the LoF.

In case of physical shareholders, I/We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar in trust for me/us till the date the Acquirer makes payment of consideration as mentioned in the LoF or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are returned to the shareholders, as the case may be.

I /We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961.

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, I/we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

#### **FOR NRIS/OCBS/ FIIS AND SUB-ACCOUNTS/OTHER NON-RESIDENT SHAREHOLDERS**

I/We confirm that my/our status is (√ whichever is applicable):

Individual	Foreign Company	FIIs / FPIs-Corporate	FIIs / FPIs-Others	FVCI
Foreign Company	Foreign Company	Foreign Company	Foreign Company	Foreign Company
FIIs / FPIs-Corporate	FIIs / FPIs-Corporate	FIIs / FPIs-Corporate	FIIs / FPIs-Corporate	FIIs / FPIs-Corporate
Others (Please Specify):				

I/We confirm that my/our investment status is (√ whichever is applicable): FDI Route / PIS Route / Any Other (Please Specify):

I/We confirm that the Equity Shares tendered by me/us are held on (√ whichever is applicable): Repatriable basis / Non-repatriable basis

I/We confirm that (√ whichever is applicable):

No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the Reserve Bank of India. The copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith.

I/We confirm that (√ whichever is applicable):

No RBI, FIPB or other regulatory approval is required by me for tendering the equity shares in this Offer.

Copies of all approvals required by me for tendering equity shares in this Offer are enclosed herewith.

In case of shareholders holding Equity Shares in demat form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the Depositories.

In case of interest payments, if any, by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act, 1961.

Yours faithfully,  
Signed and Delivered:

	Full Names(s) of the holders	Address & Telephone No.	Signature	PAN
<b>First/ Sole Holder</b>				
<b>Joint Holder 1</b>				
<b>Joint Holder 2</b>				

*Note: In case of joint holdings, all holders must sign. In case of body corporate, the rubber stamp should be affixed, and necessary board resolution must be attached.*

Place:

Date:

## INSTRUCTIONS

Please read the enclosed LoF carefully before filling-up this Form of Acceptance cum Acknowledgement.

The Form of Acceptance cum Acknowledgement should be filled-up in English only.

Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.

### Mode of tendering the Equity Shares Pursuant to the Offer:

- The acceptances of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of Sunshield Chemicals Limited.
- The Equity Public Shareholders of Sunshield Chemicals Limited to whom this Offer is being made, are free to Offer his / her / their shareholding in Sunshield Chemicals Limited for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

-----Tear along this line -----

## ACKNOWLEDGEMENT SLIP

**Subject: Offer by Indus Petrochem Limited (“Acquirer”) for acquisition of up to 19,11,796 (Nineteen Lakhs Eleven Thousand Seven Hundred and Ninety-Six) Equity Shares representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of Sunshield Chemicals Limited (“Target Company”)**

### FOR PHYSICAL EQUITY SHARES

Received from Mr./Ms./Mrs./M/s. \_\_\_\_\_

I / We, holding Equity Shares in the physical form, accept the Offer and enclose duly filled signed and or stamped the original share certificate(s), transfer deed(s) and Form of Acceptance in “market” mode, duly acknowledged by me/us in respect of my Equity Shares as detailed below:

Sr. No	Folio No.	Certificate No.	Distinctive No.		No. of Equity Shares
			From	To	
Total Number of Equity Shares					

### FOR DEMAT EQUITY SHARES

Received from Mr./Ms./Mrs./M/s. \_\_\_\_\_

I / We, holding Equity Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in “market” mode, duly acknowledged by my/our Depository Participant in respect of my shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

Stamp of Collection Centre	Signature of Official	Date of Receipt

Note: All future correspondence, if any, should be addressed to the Registrar at the address mentioned above.

**Bigshare Services Private Limited**

**Unit: Sunshield Chemicals Limited – Offer**

1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India

**Contact Details:** +91-22-2847 0652;

**Fax Number:** +91-22-2847 0652;

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

**Email Address:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

**Contact Person:** Mr. Arvind Tandel

**FORM NO. SH-4 SECURITIES TRANSFER FORM**

[Pursuant to section 56 of the Companies Act, 2013 and Rule 11 (1) of the Companies (Share Capital and Debentures) Rules, 2014]

Date of execution .....

FOR THE CONSIDERATION stated below the "Transferor(s)" named do hereby transfer to the "Transferee(s)" named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do here by agree to accept and hold the said securities subject to the conditions aforesaid.

**Corporate Identification Number:** L99999MH1986PLC041612;  
**Name of the company (in full):** SUNSHIELD CHEMICALS LIMITED;  
**Name of the Stock Exchange where the Company is listed, if any:** BSE Limited

**Description of Securities:**

Kind/Class of securities	Nominal value of each unit of security	Amount called up per unit of security	Amount paid up per unit of security
Equity Share	INR 10.00/- (Rupees Ten Only) each		
<b>No. of Securities being Transferred</b>		<b>Consideration Received (INR)</b>	
<b>In Figures</b>	<b>In Words</b>	<b>In words</b>	<b>In figures</b>

Distinctive Number	From			
	To			
<b>Corresponding Certificate Nos:</b>				

Transferor's Particulars			
Registered Folio Number		<b>Attestation:</b> I hereby attest the signature of the Transferor(s) herein mentioned.	
Name(s) in full	Seller Signature (s)	Signature:  Name:  Address:  Seal:	
1.			
2.			
3.			
I, hereby confirm that the Transferor has signed before me.	Name and Address of Witness		
Witness Signature			

Transferee's Particulars:	1	2	3
Name in full			
Father's/ mother's/ Spouse name			
Address			
Mobile/Ph. No.			
Email ID			
Occupation			
Existing folio no., if any			
PAN No.			
Signature			

Folio No. of Transferee: \_\_\_\_\_

Specimen Signature of Transferee: \_\_\_\_\_

Existing Folio No. If any

1. \_\_\_\_\_

2. \_\_\_\_\_

Value of stamp affixed: \_\_\_\_\_ (INR)

Enclosures: (1) Certificate of Equity Shares or debentures or other securities, (2) If no certificate is issued, letter of allotment, (3) Copy of PAN CARD of all the Transferees (For all listed Cos), (4) Other, Specify.....

Stamp

For office use only Checked by _____ Signature tallies by _____ Entered in the Register of Transfer on _____ vide Transfer No. _____ Approval Date _____ Power of attorney/Probate/Death Certificate/Letter of administration Registered on _____ at No. _____
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