



Navigant

NAVIGANT CORPORATE ADVISORS LIMITED

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Date: 06.03.2024

To,
The Manager
Dept. of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400 001

Sub: Submission of Draft Letter of Offer - Swadeshi Industries And Leasing Limited (BSE Code: 506863)

Dear Sir / Madam,

With reference to the captioned Offer, we wish to inform you that the Draft Letter of Offer is being submitted to SEBI, Mumbai. We are enclosing herewith a copy of the said Draft Letter of Offer for your kind perusal. A copy of the same is also being submitted to Target Company.

Thanks & Regards,

For Navigant Corporate Advisors Limited



Sarthak Vijlani
Managing Director

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Shareholder(s) of **SWADESHI INDUSTRIES AND LEASING LIMITED**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER ("OFFER")

Pursuant to Regulations 3 (1) and 4 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.

TO THE SHAREHOLDERS OF

SWADESHI INDUSTRIES AND LEASING LIMITED

(Hereinafter referred as "Swadeshi" or "the Target Company" or "TC" or "the Company")

having the Registered Office at Shop 117, 1st Floor, V Mall, Thakur Complex, Western Express Highway, Kandivali East, Mumbai, Maharashtra, India, 400101; Phone No. +91- 9326321829;

Email id: compliance@swadeshiglobal.com; swadeshiindltd@gmail.com; Website: www.swadeshiglobal.com

BY

Mrs. Jayshree Radheshyam Sharma w/o Mr. Radheshyam Sharma, a 47 years old Resident Indian currently residing at F/403, Marigold CHS Limited, Valley of Flowers, Near Evershine Dream Park, Thakur Village, Kandivali East, Mumbai- 400101, Tel. No. +91- 9967365170, Email: sharmaca34@yahoo.com; (hereinafter referred to as "the Acquirer")

TO ACQUIRE

Up to 28,12,667 Equity shares of Rs. 10/- each representing 26.00% of the Fully Paid-up Equity and voting share capital of the Target Company at a price of Rs. 2/- (Rupees Two Only) per share.

Please Note

1. This Offer is being made pursuant to the Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations, 2011 and subsequent amendments thereof for substantial acquisition of shares / voting rights accompanied with change in control.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. As on date of this Draft Letter of Offer, no statutory approvals are required in relation to this Offer.
4. This offer is not a competing offer.
5. There has been no competing offer or revision of Offer Price as on date of this Draft Letter of Offer.
6. Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement/Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
7. The Procedure for acceptance is set out in Para 8 of this DLOF. A Form of Acceptance is enclosed with this DLOF.
8. If there is any upward revision in the Offer Price by the Acquirer at any time prior to commencement of the last one working day before the commencement of the tendering period viz. **Thursday, 18th April, 2024** you will be informed by way of another Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer.
9. The Acquirer may acquire Equity Shares pursuant to the Share Purchase Agreement until the expiry of 26 (twenty-six) weeks after the expiry of the Offer Period, or an extended period granted by SEBI, in accordance with Regulation 22(3) of the SEBI SAST Regulations.
10. A copy of the Public Announcement, detailed Public Statement and the Draft Letter of Offer (including Form of Acceptance-cum-Acknowledgement) would also be available on SEBI's Website: www.sebi.gov.in.
11. All correspondence relating to this offer, if any, should be addressed to the Manager to Offer or Registrar to the Offer at the address mentioned below:

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|--|
|  Navigant NAVIGANT CORPORATE ADVISORS LIMITED 804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-4120 4837 / 4973 5078 Email Id- navigant@navigantcorp.com Investor Grievance Email: info@navigantcorp.com Website: www.navigantcorp.com SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani |  LINK Intime LINK INTIME INDIA PRIVATE LIMITED C-101, 1 st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India Tel No.: +91 8108114949 E-mail Id: swadeshi.offer@linkintime.co.in Investor Grievance Email: swadeshi.offer@linkintime.co.in Website: www.linkintime.co.in SEBI Registration No: INR000004058 Contact Person: Mr. Pradnya Karanjekar |
| OFFER OPENS ON: MONDAY, 22 ND APRIL, 2024 | OFFER CLOSES ON: MONDAY, 06 TH MAY, 2024 |

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

| Activity | Date | Day |
|--|------------|-----------|
| Public Announcement | 21.02.2024 | Wednesday |
| Publication of Detailed Public Statement in newspapers | 28.02.2024 | Wednesday |
| Submission of Detailed Public Statement to BSE, Target Company & SEBI | 28.02.2024 | Wednesday |
| Last date of filing draft letter of offer with SEBI | 06.03.2024 | Wednesday |
| Last date for a Competing offer | 21.03.2024 | Thursday |
| Receipt of comments from SEBI on draft letter of offer | 01.04.2024 | Monday |
| Identified date* | 03.04.2024 | Wednesday |
| Date by which letter of offer be dispatched to the shareholders | 12.04.2024 | Friday |
| Last date for revising the Offer Price | 18.04.2024 | Thursday |
| Comments from Committee of Independent Directors of Target Company | 18.04.2024 | Thursday |
| Advertisement of Schedule of activities for open offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchange and Target Company | 19.04.2024 | Friday |
| Date of Opening of the Offer | 22.04.2024 | Monday |
| Date of Closure of the Offer | 06.05.2024 | Monday |
| Post Offer Advertisement | 13.05.2024 | Monday |
| Payment of consideration for the acquired shares | 20.05.2024 | Monday |
| Final report from Merchant Banker | 28.05.2024 | Tuesday |

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

RISK FACTORS

A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer.

- 1) The Offer involves an offer to acquire up to 26.00% of the Equity and Voting Share Capital of Swadeshi from the Eligible Persons for the Offer. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- 2) As on date of this Draft Letter of Offer, no, statutory and other approval are required in connection with this offer, however this offer will be subject to all statutory approvals that may become applicable at a later date. Hence in the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, and then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the shareholders of Swadeshi whose Shares has been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI. Without prejudice of Regulation 18(11) of the SEBI (SAST) Regulations, 2011 Acquirer shall pay interest for the period of delay to all such shareholders whose shares have been accepted in the open offer, at the rate of ten per cent per annum, however in case the delay was not attributable to any act of omission or commission of the Acquirer, or due to the reasons or circumstances beyond the control of Acquirer, SEBI may grant waiver from the payment of interest. The Acquirer will not proceed with the Open Offer in the event statutory or other approval/s, if any, as may be required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations.

- 3) The Equity Shares tendered in the Offer shall be held in trust by the Clearing Corporation /Registrar to the Offer until the completion of the Offer formalities and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares during such period, even if the acceptance of equity Shares in this offer and/or dispatch of payment consideration are delayed. Further, during such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer and the Acquirer do not make any assurance with respect to the market price of the Equity Shares at any time, whether during or after the completion of the Offer, and disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- 4) Public Shareholders should note that once they have tendered their Equity Shares in the Offer, they will not be able to withdraw their Equity Shares from the Offer, even if the acceptance of Equity Shares under the Offer and dispatch of consideration is delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. Accordingly, the Acquirer and Manager to the Offer make no assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Public Shareholders on whether or not to participate in this Offer.
- 5) This Offer is subject to completion risks as would be applicable to similar transactions.
- 6) NRI and OCB holders of the Equity Shares must obtain all approval/s required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approval/s along with the Form of Acceptance and other documents required to accept this Offer. In the event such approval/s are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain any approval/s (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approval/s that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approval/s and/or relevant documents are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or on non-repatriable basis.
- 7) This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Draft Letter of Offer (“DLOF”) resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Offer is not directed towards any person or entity in any jurisdiction or country where the Offer would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.
- 8) The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the 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 does not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.

B. IN ASSOCIATION WITH THE ACQUIRER

- 9) The Acquirer intends to acquire 28,12,667 fully paid-up equity shares of Rs.10/- each, representing 26.00% of the fully paid-up equity and voting share capital at a price of Rs. 2/- (Rupees Two Only) per equity share. Swadeshi does not have any partly paid-up equity shares as on the date of the PA, DPS and this DLOF. The Acquirer makes no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirer makes no assurance with respect to the financial performance of the Target Company.

- 10) The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

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1. DEFINITIONS

| TERM | DESCRIPTION |
|---|--|
| Acceptance Date | The date on which bids /Equity Shares tendered in the Offer shall be accepted post verification |
| Acquirer / The Acquirer | Mrs. Jayshree Radheshyam Sharma |
| AOA | Articles of Association of Target Company |
| Board | The Board of Directors of Target Company |
| BSE | BSE Limited, where Equity Shares of Target Company are listed |
| Buying Broker / Member | Allwin Securities Limited |
| CIN | Corporate Identification Number |
| Detailed Public Statement or DPS | Public Statement of the Open Offer made by the Acquirer, which appeared in the newspapers on 28 th February, 2024 |
| DLoO / DLOF or Draft Letter of Offer | This Draft Letter of offer dated 06 th March, 2024 filed with SEBI pursuant to Regulation 16 (1) of SEBI (SAST) Regulations. |
| Existing Share & Voting Capital / Fully paid Equity Existing Share & Voting Capital | Paid up share capital of the Target Company i.e. Rs. 10,81,79,500 divided into 1,08,17,950 Equity Shares of Rs. 10/- Each |
| Existing Promoters of Swadeshi | Persons shown as Promoter and Promoter group in shareholding pattern as on 31 st December, 2023 filed by Swadeshi with BSE being Nageshwar Fabric Private Limited (Formerly known as Nageshwar Power Private Limited) and Lalima Buildcon Private Limited |
| EPS | Earnings Per Share which is Profit After Tax / No. of Equity Shares. |
| Form of Acceptance or FOA | Form of Acceptance cum Acknowledgement |
| Identified Date | Wednesday, 03 rd April, 2024 |
| Listing Agreement | Listing agreement as entered by the Target Company with the BSE |
| Manager to the Offer or, Merchant Banker | Navigant Corporate Advisors Limited |
| Negotiated Price | Rs. 2/- (Rupees Two Only) per fully paid-up Equity Share of face value of Rs. 10/- each. |
| Offer/Open Offer/ The Offer | Cash Offer to acquire up to 28,12,667 Equity Shares of Rs. 10/- each representing 26.00% of the fully paid-up equity and voting share capital of the Target Company, to be acquired by the Acquirer, at a price of Rs. 2/- per Equity share. |
| Offer Price | Rs. 2/- (Rupees Two Only) per fully paid-up Share of Rs. 10/- each. |
| PA | Public Announcement |

| TERM | DESCRIPTION |
|--|--|
| PAC/PACs | Person(s) Acting in Concert |
| Persons eligible to participate in the Offer/ Shareholders | Registered shareholders of Swadeshi Industries and Leasing Limited, and unregistered shareholders who own the Shares of Swadeshi on or before the last date of tendering period is eligible to participate in the offer except the Acquirer and Selling Shareholders |
| Registrar or Registrar to the Offer | Link Intime India Private Limited |
| Sale Shares | 30,80,850 equity shares constituting 28.48% of the fully paid up and voting equity share capital of the Target Company which are to be acquired by Acquirer from Sellers at a consideration of Rs. 2/- per Equity Share. |
| SEBI | Securities and Exchange Board of India |
| SEBI (SAST) Regulations / the Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended up to date. |
| SEBI Act | Securities and Exchange Board of India Act, 1992. |
| Seller-1/ Selling Shareholder-1 | Nageshwar Fabric Private Limited (Formerly known as Nageshwar Power Private Limited) |
| Seller-2/ Selling Shareholder-2 | Lalima Buildcon Private Limited |
| Sellers / Selling Shareholders | Collectively Nageshwar Fabric Private Limited (Formerly known as Nageshwar Power Private Limited) and Lalima Buildcon Private Limited |
| Shares | Equity shares of Rs. 10/- (Rupees Ten only) each of the Target Company |
| Stock Exchange (s) | BSE Limited |
| SPA / Share Purchase Agreement | Agreement dated 21 st February, 2024 to purchase 30,80,850 equity shares constituting 28.48% of the fully paid up and voting equity share capital of the Target Company by Acquirer from Sellers at a consideration of Rs. 2/- per Equity Share. |
| Swadeshi /Target Company/ TC / Company | Swadeshi Industries and Leasing Limited |

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Draft Letter of Offer, all figures have been expressed in “Lacs” unless otherwise specifically stated. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SWADESHI TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE /OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER TO THE OFFER, NAVIGANT CORPORATE ADVISORS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 06TH MARCH, 2024 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1.1 This Offer, being a mandatory open offer is being made by the Acquirer to the public Shareholders of the Target Company with an intention to acquire substantial holding and control of Target Company in accordance with Regulation 3 (1) and 4 of the Takeover Regulations pursuant to execution of SPA. After the completion of this open offer and pursuant to acquisition of shares under Share Purchase Agreement, the Acquirer will be holding substantial stake i.e. 28.48% in Target Company and by virtue of this it shall be in a position to exercise effective control over management and affairs of the company. Pursuant to execution of Share Purchase Agreement, since Acquirer is intending to assume control of the Target Company hence Open Offer under Regulation 3 (1) and 4 of SEBI (SAST) Regulations, 2011 has been triggered.

3.1.2 This Offer is being made pursuant to the execution of the share purchase agreement by the Acquirer on dated 21st February, 2024 to purchase 30,80,850 Equity Shares constituting 28.48% of the fully paid up and voting equity share capital of the Target Company from Sellers at a consideration of Rs. 2/- per Equity Share. (“SPA”)

3.1.3 Details of Parties to the SPA are as follows:

| Name and Address of Acquirer entering in to SPA | Name and Address of Sellers | Part of the Promoter / Promoter Group (Yes / No) | Details of shares / voting rights held by the Selling Shareholder prior to SPA | | Details of shares / voting rights held by the Selling Shareholder post to SPA | |
|---|---|--|--|---------------|---|------------|
| | | | Pre-Transaction | | Post Transaction | |
| | | | Number | % | Number | % |
| Mrs. Jayshree Radheshyam Sharma (Acquirer) Address: F/403, Marigold CHS Limited, Valley of Flowers, Near Evershine Dream Park, Thakur Village, Kandivali East, Mumbai-400101 | Nageshwar Fabric Private Limited (Formerly known as Nageshwar Power Private Limited) (Seller-1) Address: Office No.10, 4 th Police Thana Road Old Bus Stand Road, Pali-Marwar, Pali, Rajasthan - 306401 | Yes | 27,30,850 | 25.24% | Nil | Nil |
| | Lalima Buildcon Private Limited (Seller-2) Address: A 303 Bhattad Tower, 3 rd Floor Opp. Kora Kendra Ground, Mumbai - 400092 | Yes | 3,50,000 | 3.24% | Nil | Nil |
| | | | 30,80,850 | 28.48% | Nil | Nil |

3.1.4 The salient features of SPA are as follows:

- (i) The Sellers have agreed to sell 30,80,850 fully paid Equity Shares of Rs. 10/- each at a price of Rs.2/- (Rupees Two only) per fully paid-up Equity Share of the Target Company to Acquirer.
- (ii) Apart from the total consideration of Rs. 61,61,700/- for the Sale Shares, no separate fees, payment, premium such as non-competing fee etc. shall be paid by Acquirer to the Sellers for acquisition of the Sale Shares and management control of the Target Company.
- (iii) Acquirer and the Sellers recognize that the sale of Sale Shares is the subject matter of the Takeover Regulations and accordingly the Sellers shall transfer the Sale Shares only after due compliance with the Takeover Regulations by Acquirer or comply escrow mechanism in terms of Regulation 22 of the SEBI SAST Regulations.

- (iv) Acquirer and the Sellers agree that in the event of non-compliance of any of the provisions of the Takeover Regulations pursuant to the execution of the Agreement, this Agreement shall not be acted upon by any of them.
- (v) The Sale Shares held by the Sellers are in dematerialised form and are free from any lien, claim, pledge, charge, mortgage and encumbrance as on the date of the Agreement.
- 3.1.5 Acquirer recognizes that the Shares to be acquired under SPA is the subject matter of the Takeover Regulations and accordingly will acquire Shares under SPA only after due compliance with the Takeover Regulations under regulation 22 (1) or 22 (2) of the SEBI SAST Regulations.
- 3.1.6 The Offer is not a competing offer under Regulation 20 of SEBI (SAST) Regulations.
- 3.1.7 The Acquirer does not have any 'person acting in concert' with it, as defined in Regulation 2(1)(q)(1) of the SEBI SAST Regulations, for the purpose of this Offer.
- 3.1.8 The Current and proposed shareholding of the Acquirer in Target Company and the details of his acquisition is as follows:

| Sr. No. | Particulars | Acquirer | |
|---------|---|---------------|--------|
| | | No. of Shares | % |
| (i) | Shareholding as on PA date i.e., February 21, 2024 | Nil | Nil |
| (ii) | Shares agreed to be acquired under SPA | 30,80,850 | 28.48% |
| (iii) | Shares acquired between the PA date and the DPS date | Nil | Nil |
| (iv) | Shares to be acquired in the Open Offer (assuming full acceptances) | 28,12,667 | 26.00% |
| (v) | Post Offer shareholding [assuming full acceptance] (As on 10 th working day after closing of tendering period) | 58,93,517 | 54.48% |

- 3.1.9 The Acquirer has not been prohibited by SEBI, from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 3.1.10 The Acquirer may at his discretion seek to effect changes to the Board of Directors of the Target Company, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the LODR Regulations and Regulation 24 of the SEBI SAST Regulations). No proposal in this regard has been finalized as on the date of this Draft Letter of Offer.
- 3.1.11 The Acquirer proposes to continue existing business of the Target Company and may diversify its business activities in future with prior approval of Shareholders.
- 3.1.12 The Manager to the Open Offer i.e. Navigant Corporate Advisors Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.
- 3.1.13 Simultaneously, by virtue of triggering of Regulation 3(1) and 4 of the Regulations due to substantial acquisition along with the management control, the PA was submitted with BSE on 21st February, 2024 in compliance with Regulation 13(1) of the Regulations by the Acquirer. The PA was also submitted with SEBI and the Target Company in compliance with the Regulation 14(2) of the Regulations.
- 3.1.14 In accordance with Regulation 26 (6) and 26(7) of the SEBI SAST Regulations, the committee of independent directors of the Target Company are required to provide its written reasoned recommendations on the Offer to the Shareholders and such recommendations are required to be published in the specified form at least 2 (two) Working Days before the commencement of the Tendering Period.
- 3.1.15 Upon completion of the Offer, assuming full acceptance in the offer, pursuant to the SPA, Acquirer will hold 58,93,517 Equity Shares of Rs. 10/- (Rupees Ten only) equity shares constituting 54.48% of the

Voting Share Capital of the Target Company. In terms of Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of SCRR, the Target Company is required to maintain at least 25% public shareholding on a continuous basis for listing. Pursuant to the completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR and SEBI (LODR) Regulations.

3.2 Details of the Proposed Offer

- 3.2.1** The Public Announcement in connection with the Offer was made by the Managers to the Offer on behalf of the Acquirer to the BSE on 21st February, 2024 and submitted to SEBI on 21st February, 2024 and sent to the Target Company on 21st February, 2024.
- 3.2.1** The DPS in connection with the Offer was published on behalf of the Acquirer on 28th February, 2024 in the following newspapers: (a) Financial Express - English Daily (all editions); (b) Jansatta - Hindi Daily (all editions); (c) Pratahkal - Marathi Daily (Mumbai edition). The DPS was also submitted to SEBI and the Stock Exchange and sent to the Target Company on 28th February, 2024. The DPS is available on the SEBI website (www.sebi.gov.in).
- 3.2.2** The Acquirer is making this Open Offer under Regulation 3 (1) and 4 of SEBI (SAST) Regulations, to acquire up to 28,12,667 Shares of Rs. 10/- each representing up to 26.00% of the fully paid-up equity and voting share capital of the Target Company from the Public Shareholders of Target Company on the terms and subject to the conditions set out in this Draft Letter of Offer, at a price of Rs. 2/- per equity share. These Shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.3** There are no partly paid-up Shares in the Target Company.
- 3.2.4** The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations.
- 3.2.5** The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.
- 3.2.6** The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.
- 3.2.7** The Acquirer has not acquired any Equity Shares from the date of the Public Announcement to the date of this Draft Letter of Offer. The Acquirer shall disclose during the Offer Period any acquisitions made by the Acquirer of any Equity Shares of the Target Company in the prescribed form, to each of the Stock Exchange and to the Target Company at its registered office within 24 (twenty four) hours of such acquisition, in accordance with Regulation 18(6) of the SEBI SAST Regulations.
- 3.2.8** There has been no competing offer as of the date of this Draft Letter of Offer.
- 3.2.9** The Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirer from time to time in this regard.

3.3 Object of the Offer:

- 3.3.1** The Acquirer shall achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company after completion of acquisition of the Shares under SPA and the Open Offer.
- 3.3.2** The prime object of this acquisition is to acquire management control of the Target Company. Upon successful completion of open offer, Acquirer shall achieve substantial acquisition of Equity Shares and voting capital and intending to acquire control over Target Company in terms of Regulation 4 of SEBI (SAST) Regulations, 2011 and will be identified as part of Promoter and Promoter group of the Target Company.
- 3.3.3** The Acquirer have 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 takeover is to expand the Company's business activities in same or diversified line of business through exercising effective control over the Target Company while additionally

getting a ready listing platform. However, no firm decision in this regard has been taken or proposed so far.

- 3.3.4** The Acquirer may at its discretion seek to effect changes to the Board of Directors of the Target Company, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the LODR Regulations and Regulation 24 of the SEBI SAST Regulations).
- 3.3.5** The Acquirer do not have any plans to dispose off or otherwise encumber any significant assets of Swadeshi in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertake 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 SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.
- 3.3.6** Pursuant to this Offer and the transactions contemplated in the SPA, the Acquirer shall become the Promoter of the Target Company and, the Selling Promoter Shareholders and other existing promoters will cease to be the promoter of the Target Company and shall be classified as a public shareholder in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations.

4. BACKGROUND OF THE ACQUIRER:

The details of the Acquirer are as follows:

Acquirer: Mrs. Jayshree Radheshyam Sharma:

1. Mrs. Jayshree Radheshyam Sharma w/o Mr. Radheshyam Sharma, is a 47 years old Resident Indian currently residing at F/403, Marigold CHS Limited, Valley of Flowers, Near Evershine Dream Park, Thakur Village, Kandivali East, Mumbai- 400101, Tel. No. +91- 9967365170, Email: sharmaca34@yahoo.com; She is holding degree of Bachelor of Commerce ("B.com") from South Gujarat University. Prior to marriage she was known with her maiden name as Jayshree Ramanuj Khandelwal.
2. Acquirer carries a valid passport of Republic of India and also holds a Permanent Account Number (PAN) (AOPPS2468K).
3. Acquirer is having experience of over 10 years in the field of manufacturing of fabrics at Umargoan as a proprietor of M/s. Aarya Fabrics and she is also the director of four private limited companies in different fields. She is also having experience in evaluating market trends, identifying growth opportunities, resource allocation, budgeting and ensuring financial stability.
4. Acquirer does not belong to any group.
5. CA Jigar Samani (Membership No. 183317), Partner of M/s. NSJS & Associates, Chartered Accountants (Firm Registration No. 0147176W) having their office located at 40, Image House, 2nd Floor, Manohardas Street, Fort, Mumbai - 400001 Email: jigarasamani@gmail.com, vide certificate dated November 29, 2023 has certified that Net Worth of Acquirer is Rs. 737.82 Lacs (UDIN: 23183317BHBBAF3596).
6. Acquirer does not hold any shares of Target Company as on the date of the PA and DPS. However, she has agreed to buy 30,80,850 Equity Shares by way of Share Purchase Agreement ("SPA").
7. As on the date of this DLOF, Acquirer does not have any interest in Target Company, save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA / Agreement.
8. Acquirer hereby confirms and declares that she is not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.
9. The Acquirer has not acquired any shares of Target Company and hence compliance w.r.t. Chapter V of the Takeover Regulations, 2011 in respect of acquisition of Equity Shares in the Target Company are not applicable to Acquirer.

10. The Acquirer does not have any relations with the Target Company nor have any interest in the Target Company save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA by the Acquirer. Neither the Acquirer nor her representatives are on the Board of the Target Company. During the offer period neither the Acquirer nor her representatives shall be appointed on Board of the Target Company.
11. The Acquirer has not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act (the “SEBI Act”).
12. Acquirer has confirmed that she is not categorized as a “Willful Defaulter” in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011 nor categorized as a “Fugitive Economic Offender” in terms of Regulation (1)(ja) of the SEBI (SAST) Regulations, 2011.
13. The Acquirer has not entered into any non-compete arrangement and/or agreement with the Target Company or its management.
14. As on date of this DLOF, Acquirer is in compliance with Regulation 6A & Regulation 6B of the Takeover Regulations, 2011.
15. The Acquirer has undertaken that if she acquires any equity shares of the Target Company during the Offer Period, she shall disclose such acquisition to the Stock Exchange where the equity shares of the Target Company are listed and to the Target Company at its registered office within 24 hours of such acquisition in compliance with regulation 18(6) of the SEBI (SAST) Regulations. Further, she has also undertaken that she will not acquire any equity shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per regulation 18(6) of the SEBI (SAST) Regulations.
16. The Acquirer undertakes that she will not sell the equity shares of the Target Company, if any held by her during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.
17. Details of the Companies in which Acquirer is director is tabled as below:

| Name of Company | Designation | CIN |
|---|-------------|-----------------------|
| B 2 B Tradecom Consumer Private Limited | Director | U15138MH2022PTC395372 |
| B 2 B Commodities Private Limited | Director | U67100MH2010PTC199231 |
| B 2 B Financial Services Private Limited | Director | U65999MH2008PTC188501 |
| B 2 B Shares and Securities Private Limited | Director | U67100MH2010PTC199229 |

18. The Acquirer has not promoted any listed company and does not hold any directorship in any listed company.
19. There are no regulatory actions / administrative warnings / directions subsisting or proceedings pending against the Acquirer and any other entities related to Acquirer.
20. There are no penalties levied by SEBI / RBI against the Acquirer and any other entities related to Acquirer by the SEBI / RBI.
21. The Equity Shares tendered in this offer will be acquired solely by Acquirer only and there is no person acting in concert with Acquirer in this Open Offer.

5. BACKGROUND OF THE TARGET COMPANY

(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 Swadeshi Industries and Leasing Limited (“Swadeshi”) was originally incorporated on October 31, 1983 under the Companies act 1956 in the name and style of “Swadeshi Leasing Company Limited” and registered with the Registrar of Companies, at Mumbai, Maharashtra. The name was changed to “Swadeshi Industries and Leasing Limited” and fresh certificate consequent to change of name was issued by Registrar of Companies, Mumbai on December 21, 1987. The corporate identification number (CIN) of the Target Company is L46309MH1983PLC031246. The Registered office of Swadeshi is presently situated at Shop 117, 1st Floor, V Mall, Thakur Complex, Western Express Highway, Kandivali East, Mumbai, Maharashtra, India, 400101; Phone No. +91- 9326321829; Email id: compliance@swadeshiglobal.com; swadeshiindltd@gmail.com.

- 5.2 The Authorised Capital of Swadeshi is Rs. 1,250.00 Lacs divided in to 1,25,00,000 Equity Shares of Face Value of Rs. 10/- each. The Issued, Subscribed and Paid-up capital of Swadeshi is Rs. 1,081.795 Lacs divided in to 1,08,17,950 Equity Shares of Face Value Rs. 10/- each. Swadeshi has established its connectivity with both the National Securities Depository Limited and Central Depository Services (India) Limited. The ISIN of Swadeshi is INE716M01034.
- 5.3 Target Company is carrying on the business of trading & Textiles. Revenue from Operations was Rs. 72.73 lacs and Rs. 33.99 lacs for the financial year ended March 31, 2023 and March 31, 2022 respectively. However, there is no revenue from operations as on date of this DLOF. Company is having other income of Rs. 15.24 lacs for the nine months ended on December 31, 2023.
- 5.4 As on date of this DLOF, the Target Company does not have any partly paid-up equity shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No shares are subject to any lock in obligations.
- 5.5 The entire present and paid- up Equity Shares of the Target Company is currently listed on BSE Limited, Mumbai ("BSE"). The Equity Shares are listed on BSE w.e.f. 15th June, 1984.
- 5.6 The shares of the Target Company are listed at BSE Limited ("BSE") The shares are placed under 'XT' group having a Scrip Symbol of "SWADEIN" and Scrip Code "506863" on the BSE. The Equity Shares of Target Company are frequently traded on BSE in terms of Regulation 2 (1) (j) of the Takeover Regulations.
- 5.7 As on the date this DLOF, the Shares of Target Company are not suspended from trading from BSE. As confirmed by Target Company, it has complied with the requirements of the Listing Agreement with BSE as well as SEBI (LODR) Regulations, 2015 and as on date no penal action has been initiated by the BSE. Equity shares of Target Company are currently traded under Graded Surveillance Measure (GSM) stage 4, i.e., Trading permitted once a week trading with Additional Surveillance Deposit ("ASD") 200% of trade value to be deposited by the buyers (Every Monday).

- 5.8 The details of Share Capital of Target Company are as follows:

| Paid up Equity Shares of Swadeshi | No. of Equity Shares/ Voting rights | % of Shares / voting rights |
|--|-------------------------------------|-----------------------------|
| Fully paid-up Equity Shares | 1,08,17,950 | 100.00 |
| Partly paid-up Equity Shares | NIL | NIL |
| Total Equity Shares | 1,08,17,950 | 100.00 |
| Total Voting Rights in the Target Company | 1,08,17,950 | 100.00 |

- 5.9 As on date of this DLOF, the Board of Directors of Swadeshi are as follows:

| Name | Designation | DIN | Date of appointment in Target Company |
|----------------------------------|--------------------------------------|----------|---------------------------------------|
| Mr. Gaurav Jain | Executive Director- Chairperson-MD | 06794973 | 10/02/2014 |
| Mrs. Krishna Kamalkishor Vyas | Non-Executive - Independent Director | 07444324 | 19/02/2016 |
| Mrs. Indira Dhariwal | Non-Executive - Independent Director | 02524743 | 28/05/2019 |
| Mr. Nitinkumar Radheshyam Sharma | Non-Executive - Independent Director | 06442840 | 26/07/2023 |

- 5.10 There has been no merger / demerger or spin off involving Swadeshi during the last 3 years.
- 5.11 There has been no change in the name of Target Company at any point of time except from "Swadeshi Leasing Company Limited" to its present name i.e., "Swadeshi Industries and Leasing Limited" which has been effected from December 21, 1987.
- 5.12 The Company do not have any subsidiaries.
- 5.13 Brief financial information of Swadeshi for the Nine months ended December 31, 2023, year ended March 31, 2023, March 31, 2022 and March 31, 2021 are given below:

(Rs. in Lacs)

| Profit & Loss Statement | For the Nine months ended December 31, 2023 (Unaudited) | For the year ended March 31, 2023 (Audited) | For the year ended March 31, 2022 (Audited) | For the year ended March 31, 2021 (Audited) |
|--|---|---|---|---|
| Revenue from Operations | - | 72.73 | 33.39 | 114.97 |
| Other Income | 15.24 | 8.73 | 3.04 | 6.94 |
| Total Income | 15.24 | 81.46 | 37.03 | 121.71 |
| Total Expenditure (Excluding Depreciation and Interest) | 12.21 | 91.01 | 123.38 | 189.23 |
| Profit (Loss) before Depreciation, Interest & Tax | 3.03 | (9.55) | (86.35) | (67.52) |
| Depreciation | 0.24 | 0.40 | 0.49 | 0.72 |
| Interest | 0.00 | 0.02 | 0.00 | 0.07 |
| Profit / (Loss) before Tax and Exceptional Items | 2.79 | (9.97) | (86.84) | (68.31) |
| Exceptional Items | 0 | 0 | 0 | 0 |
| Profit / (Loss) before Tax | 2.79 | (9.97) | (86.84) | (68.31) |
| Tax Expenses | 0 | 0 | 0 | 0.55 |
| Profit / (Loss) after Tax | 2.79 | (9.97) | (86.84) | (68.86) |

(Rs. in Lacs)

| Balance Sheet Statement | For the year ended March 31, 2023 (Audited) | For the year ended March 31, 2022 (Audited) | For the year ended March 31, 2021 (Audited) |
|--|---|---|---|
| Sources of Funds | | | |
| Paid up Share Capital | 1,081.80 | 1,081.80 | 1,081.80 |
| Reserves & Surplus (Excluding Revaluation Reserve) | (282.34) | (272.37) | (185.53) |
| Non -Current Liabilities | | | |
| Borrowings | 0.98 | 5.45 | 9.25 |
| Other Non -Current Liabilities | - | - | - |
| Deferred tax liabilities (net) | - | - | - |
| Provisions | - | - | - |
| Current Liabilities | | | |
| Borrowings | - | - | - |
| Trade Payable | 77.91 | 39.03 | 103.00 |
| Short term Provisions | - | - | - |
| Other Financial Liabilities | - | - | - |
| Other current liabilities | 9.51 | 6.42 | 9.35 |
| TOTAL | 887.85 | 860.33 | 1017.87 |
| Uses of Funds | | | |
| Fixed Assets | | | |
| Non -Current Assets | 360.79 | 503.59 | 636.76 |
| Current Assets | 527.06 | 356.74 | 381.11 |
| TOTAL | 887.85 | 860.33 | 1017.87 |

| Other Financial Data | For the Nine months ended December 31, 2023 (Unaudited) | For the year ended March 31, 2023 (Audited) | For the year ended March 31, 2022 (Audited) | For the year ended March 31, 2021 (Audited) |
|----------------------------|---|---|---|---|
| Net Worth (Rs. in Lacs) | 802.25 | 799.46 | 809.43 | 896.27 |
| Dividend (%) | - | - | - | - |
| Earnings Per Share (Rs.) | 0.03 | (0.09) | (0.80) | (0.64) |
| Return on Net worth (%) | 0.35 | (1.25) | (10.73) | (7.68) |
| Book Value Per Share (Rs.) | 7.42 | 7.39 | 7.48 | 8.28 |

Reason for fall/rise in total income and profit after tax are as follows:

FY 2022-2023 Compared to 2021-2022

During the financial year 2022-23, the company has earned total income to the tune of Rs. 81.46 lacs in comparison of total income accounted for Rs. 37.03 lacs of fiscal 2020-21 with an increase of 119.98%. Such increase is mainly attributed to increase in revenue from operations. The Company has incurred loss in the financial year 2021-22 and has stood at Rs. 9.97 lacs as against loss of Rs. 86.84 lacs in the financial year 2020-21.

FY 2021-2022 Compared to 2020-2021

During the financial year 2021-22, the company has earned total income to the tune of Rs. 37.03 lacs in comparison of total income accounted for Rs. 121.71 lacs of fiscal 2020-21 with a decrease of 69.68%. Such decrease is mainly attributed to decrease in revenue from operations. The Company has incurred a profit in the financial year 2020-21 and has stood at Rs. 0.87 lacs as against profit of Rs. 0.74 lacs in the financial year 2019-20.

5.14 The Shareholding pattern of the Swadeshi, as on the date of DLOF is as follows:

| Shareholder Category | Number of Equity Shares of the Target Company | Percentage of Equity Share Capital (%) |
|----------------------|---|--|
| Promoter | 30,80,850 | 28.48 |
| Public | 77,37,100 | 71.52 |
| Total | 1,08,17,950 | 100.00 |

5.15 The current capital structure of the Company has been build up since inception, are as under:

| Date of Allotment | Shares Issued | | Cumulative paid-up capital | | Mode of Allotment | Identity of allottees (Promoters / Others) | Status of Compliance with SEBI SAST Regulations 1997 / 2011 |
|----------------------|--------------------|--------------------------|----------------------------|--------------------------|-------------------|---|---|
| | No. | % to total Share Capital | No. of Shares | % to total Share Capital | | | |
| Incorporation | 70 | 100 | 70 | 100 | Cash | Subscribers to MOA | Capital Issued prior to Listing |
| Prior IPO 30.12.1983 | 5,99,930 | 99.99 | 6,00,000 | 10 | Cash | Promoters, Directors and their relatives | Capital Issued prior to Listing |
| IPO* | 9,00,000 | 60.00 | 15,00,000 | 100 | Cash | Public | Public Issue |
| 07.01.1985* | (5,92,050) | (39.47) | 9,07,950 | | N.A. | Public | Forfeited due to non payment of call money |
| 20.06.2011 | 30,00,000 | 76.77 | 39,07,950 | 100 | Cash | Promoters and Public | Preferential Issue |
| 20.12.2011 | 15,00,000 | 27.74 | 54,07,950 | 100 | Cash | Promoter | Preferential Issue |
| 28.02.2013 | 54,10,000 | 50.01 | 1,08,17,950 | 100 | Cash | Promoters and Public | Preferential Issue |
| 03.07.2014 | (1,08,17,950) | 100 | 10,81,79,500 | 100 | N.A. | Sub Division of existing equity shares from every ONE equity share of Rs.10/- each into TEN equity shares of Re.1/- each. | N.A. |
| | 10,81,79,500 | | | | | | |
| 15.06.2018 | (10,81,79,500) | 100 | 1,08,17,950 | 100 | N.A. | Consolidation of existing TEN equity shares from Re.1/- each to ONE equity share of Rs.10/- each. | N.A. |
| | 1,08,17,950 | | | | | | |
| Total | 1,08,17,950 | | | | -- | | |

*On 29.03.1984, the company had allotted 9,00,000 Shares to Public through IPO (Rs. 5 paid up per Share) out of which it has forfeited 592050 Equity Shares on 7.01.1985 due to Non-payment of Call Money.

5.16 Pre- and Post-Offer shareholding pattern of the Swadeshi is as per the following table:

| Sr. No. | Shareholder category | Shareholding & voting rights prior to the agreements/acquisition and offer (A) | | Shares/voting rights agreed to be acquired pursuant to SPA which triggered off the Takeover Regulations (B) | | Shares/Voting rights to be acquired in the open offer (assuming full acceptances) (C) | | Shareholding/voting rights after the acquisition and Offer | |
|---------|--|--|---------------|---|----------------|---|--------------|--|---------------|
| | | No. | % | No. | % | No. | % | No. | % |
| 1. | Promoter & Promoter Group | | | | | | | | |
| | a. Parties to Agreement | 30,80,850 | 28.48 | (30,80,850) | (28.48) | - | - | - | - |
| | b. Promoters Other than (a) above | - | - | - | - | - | - | - | - |
| | Total 1 (a+b) | 30,80,850 | 28.48 | (30,80,850) | (28.48) | - | - | - | - |
| 2. | Acquirer | - | - | 30,80,850 | 28.48 | 28,12,667 | 26.00 | 58,93,517 | 54.48 |
| | Total 2 | - | - | 30,80,850 | 28.48 | 28,12,667 | 26.00 | 58,93,517 | 54.48 |
| 3. | Parties to agreement other than (1) | - | - | - | - | - | - | - | - |
| 4. | Parties (other than promoters, sellers / Acquirer & PACs) | - | - | - | - | - | - | - | - |
| | a. Fls/MFs/FILs/Banks/SFI | - | - | - | - | - | - | - | - |
| | b. Others | 77,37,100 | 71.52 | - | - | (28,12,667) | (26.00) | 49,24,433 | 45.52 |
| | Total no. of shareholders i.e. 10,931 in "Public Category" | | | | | | | | |
| | Total | 1,08,17,950 | 100.00 | Nil | Nil | Nil | Nil | 1,08,17,950 | 100.00 |

5.17 The number of Shareholders in Swadeshi in public category is 10,931 as on 31st December, 2023. As on date of this DLOF, there are no depository receipts of shares issued in foreign countries.

5.18 The Company is not a sick Company.

5.19 There are no directions subsisting or proceedings pending against the Target Company under SEBI Act, 1992 and regulations made thereunder, also by any regulator.

5.20 Target Company are not registered with any other regulatory / govt. authority in any capacity. There are no regulatory actions / administrative warnings / directions subsisting or proceedings pending against the Target Company or its promoters. There are no penalties levied by SEBI / RBI against the Target Company or its promoters.

5.21 Status of corporate governance compliances by Swadeshi: -

The Corporate Governance clauses as enumerated in Regulation 17 to 27 in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been complied by the Target Company.

5.22 Ms. Shruti Jain is the Company Secretary & Compliance Officer of the Company and the address is Shop 117, 1st Floor, V Mall, Thakur Complex, Western Express Highway, Kandivali East, Mumbai, Maharashtra, India, 400101; Phone No. +91 9326321829, Email id: compliance@swadeshiglobal.com; swadeshiindltd@gmail.com.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The Equity Shares of the Target Company are listed on BSE Limited. The shares are placed under Group 'XT' having a Scrip Code of " 506863" & Scrip Id of "SWADEIN" on the BSE.

6.1.2 The equity shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations on BSE.

The annualized trading turnover of the equity shares of the Target Company on BSE during Twelve calendar months prior to the month of PA date (February, 2023 - January, 2024) is as given below:

| Name of the Stock Exchange | Total number of equity shares traded during the preceding 12 months prior to the month of PA | Total Number Equity Shares listed | Annualized Trading Turnover (as % of total Listed Equity Shares) |
|----------------------------|--|-----------------------------------|--|
| BSE | 12,38,818 | 1,08,17,950 | 11.45% |

Source: www.bseindia.com

6.1.3 The Offer Price of Rs 2/- (Rupees Two Only) is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations on the basis of the following:

| SR. NO. | PARTICULARS | PRICE (IN RS. PER SHARE) |
|---------|--|--------------------------|
| (a) | Highest of Negotiated price per Equity Share of SPA | Rs. 2.00 |
| (b) | The volume- weighted average price paid or payable for acquisitions by the Acquirer during 52 weeks immediately preceding the date of PA. | Not Applicable |
| (c) | Highest price paid or payable for acquisitions by the Acquirer during 26 weeks immediately preceding the date of PA. | Not Applicable |
| (d) | the volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock-exchange where the maximum volume of trading in the shares of the target company are recorded during such period. (in case of frequently traded shares only) | 1.91 |
| (e) | Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies | Not Applicable |

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 2/- (Rupees Two only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

6.1.4 There has been no corporate action requiring the price parameters to be adjusted.

6.1.5 The Target Company is listed on BSE only. Equity shares of the Target Company were not traded on the date of public announcement (PA) i.e. 21st February, 2024. Market price of equity shares of Target Company (closing) before the date of public announcement (19th February, 2024) was Rs. 2.00/- each and market price of equity shares of Target Company (closing) after the date of public announcement (26th February, 2024) was Rs. 2.00/- each.

- 6.1.6 In the event of any further acquisition of Equity Shares of the Target Company by Acquirer during the offer period, whether by subscription or purchase, at a price higher than offer price, then 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, it shall not be acquiring any equity shares of Target Company after the third working day prior to commencement of tendering period and until the expiry of tendering period.
- 6.1.7 If the Acquirer acquires any Equity Shares of the Target Company during the period of twenty-six weeks after the closure of Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose Equity Shares have been accepted in this Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the Takeover Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021 or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.
- 6.1.8 As on date of this DLOF, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer will comply with all the provisions of the Regulation 18(5) of the Takeover Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.9 If there is any revision in the Offer Price on account of future purchases / competing offers, it will be done only upto one working day prior to the date of commencement of the tendering period in accordance with Regulation 18(4) of the Takeover Regulations and would be notified to the shareholders by way of another public announcement in the same newspapers where the DPS has appeared. The same will also be informed to SEBI and BSE.

6.2 Financial Arrangements

- 6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirer under the offer would be Rs. 56,25,334/- (Rupees Fifty Six Lacs Twenty Five Thousand Three Hundred Thirty Four Only) ("maximum consideration") i.e. consideration payable for acquisition of 28,12,667 equity shares of the target Company at offer price of Rs. 2.00/- (Rupees Two only) per Equity Share.
- 6.2.2 The Acquirer has adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer.
- 6.2.3 The Acquirer, the Manager to the Offer and Kotak Mahindra Bank Limited, a banking corporation incorporated under the laws of India, have entered into an escrow agreement for the purpose of the Offer (the "Escrow Agreement") in accordance with regulation 17 of the SEBI (SAST) Regulations, 2011. Pursuant to the Escrow Agreement, the Acquirer on or before 21st February, 2024 have deposited cash of an amount of Rs. 14.10 Lacs in an escrow account opened with Kotak Mahindra Bank Limited, which is in excess of 25% of the Offer Consideration.
- 6.2.4 The Acquirer has duly empowered Navigant Corporate Advisors Limited, the Manager to the Open Offer, to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5 Further, in order to ensure that the funds that are payable to the Eligible Public Shareholders who tender in the Offer are managed more efficiently, the Acquirer have opened the Offer Special Account with the Kotak Mahindra Bank Limited under the Offer Escrow Agreement, for the purpose of Regulation 21 of the SEBI (SAST) Regulations. The Manager to the Offer has been authorized by the Acquirer to operate and realize the monies lying to the credit of the Offer Special Escrow Account, in accordance with the SEBI (SAST) Regulations.
- 6.2.6 The Manager to the Offer, M/s Navigant Corporate Advisors Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations. The Manager to the Offer, M/s. Navigant Corporate Advisors Limited, hereby confirms that the Acquirer is capable to implement the Offer obligations in accordance with the SEBI (SAST) Regulations.

6.2.7 CA Jigar Samani (Membership No. 183317), Partner of M/s. NSJS & Associates, Chartered Accountants (Firm Registration No. 0147176W) has certified that the Acquirer has sufficient resources to make the fund requirement for fulfilling all the obligations under the Offer.

6.2.8 Acquirer hereby undertakes that in case of any upward revision of offer price, Acquirer will correspondingly increase the escrow amount.

7. TERMS AND CONDITIONS OF THE OFFER:

7.1. The Draft Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those public shareholders of Swadeshi (except the Acquirer, Existing Promoters & Sellers) whose name appear on the Register of Members, at the close of business hours on 03rd April, 2024 ("**Identified Date**").

7.2. All owners of the shares, Registered or Unregistered (except the Acquirer, Existing Promoters & Sellers) who own the shares any time prior to the Closing of the Offer is eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible Persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

7.3. The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. While it would be insured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt the Letter of Offer by any member entitled to this open offer will not invalidate the Offer in any manner whatsoever.

7.4. Subject to the conditions governing this Offer, as mentioned in the DLOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.5. Locked-in Shares:

There are no locked-in shares in Swadeshi.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirer, Existing Promoters & Sellers) whose names appeared in the register of shareholders on 03rd April, 2024 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

7.7.1. To the best of knowledge and belief of the Acquirer, as of the date of this DLOF, there are no statutory approvals required for this Offer. However, if any other statutory approvals are required or become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.

7.7.2. Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as "RBI") approvals that they would have obtained for acquiring, the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered in the Offer.

7.7.3. The Acquirer, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals which may become applicable later and are refused. In the event of withdrawal, a PA will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS has appeared.

7.7.4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay 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 for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18(11) of SEBI (SAST) Regulations. Further, if 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.

- 7.7.5. No approval is required from any bank or financial institutions for this Offer.
- 7.7.6 Target Company is not required to obtain NOC from any regulatory / govt. authority for effecting change in control;
- 7.7.7. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

- 8.1. The Open offer will be implemented by the Acquirer through the Stock Exchange Mechanism made available by the Stock Exchange in the form of a separate window (“Acquisition Window”) as provided under the SEBI (SAST) Regulations and SEBI Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI and as amended by SEBI Circular CFD/DCR/2/CIR/P/2016/131 dated December 09, 2016 and as per further amendment vide SEBI Circular SEBI/HO/CFD/DCR-III/ CIR/P/2021/615 dated August 13, 2021.
- 8.2. BSE Limited (‘BSE’) shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Open Offer.
- 8.3. The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Open Offer shall be available on the BSE in the form of Separate Window (“Acquisition Window”).
- 8.4. The Acquirer has appointed Allwin Securities Limited, Stock Broker for the open offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the buying broker are as mentioned below:

Allwin Securities Limited
B-205/206, Ramji House,
30, Jambulwadi, Kalbadevi Road,
Mumbai-400 002
Tel: +91-22-4344 6444
E-mail: allwinsec@gmail.com
Website: www.allwinsecurities.com
SEBI Registration No.: INZ000239635

- 8.5. All the shareholders who desire to tender their equity shares under the Open Offer will have to intimate their respective stock brokers (“Selling Brokers”) within the normal trading hours of the Secondary Market, during the Tendering period.
- 8.6. A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.
- 8.7. The cumulative quantity tendered shall be displayed on the Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering period.
- 8.8 Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
- 8.9. Shareholders can tender their shares only through a Broker with whom the shareholder is registered as client with KYC Compliant.
- 8.10 Shareholders should not submit/tender their equity shares to Manager to the Open offer, the Acquirer or the Target Company.
- 8.11. **Procedure for tendering shares held in Dematerialized Form.**
- a) The Equity shareholders who are holding the equity shares in demat form and who desire to tender their Equity shares in this offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer.
- b) The Selling Broker would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the BSE. Before placing the order/bid the Selling Broker shall provide early pay-in of demat shares (except for

custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.

- c) 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.
- d) 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 the Stock Exchange/ Clearing Corporation, before the opening of the Offer.
- e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“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.
- f) The shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The shareholders holding Equity shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.12. Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:

- a) Shareholders who are holding physical equity shares and intend to participate in the offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
 - i. The form of Acceptance-cum-Acknowledgement duly signed (by all equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - ii. Original Share Certificates;
 - iii. Valid shares 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 Acquirer;
 - iv. Self-attested copy of the Shareholder’s PAN card;
 - v. Any other Relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.
 - vi. In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- b) Selling Broker should place order on the Acquisition Window with the relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling broker shall provide a TRS generated by the Exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity shares tendered etc.
- c) After placement of order, as mentioned in paragraph 8.12(b), the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, Original share certificate(s), valid share transfer form(s) and other documents (as mentioned in the paragraph 8.12(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscripted as “Swadeshi Open Offer”. One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- d) Shareholders holding physical Equity shares should note that the physical equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirer shall be subjected to verification as per the SEBI (SAST) Regulations and any

further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as “unconfirmed physical Bids”. Once, Registrar to the Offer confirms the order it will be treated as “Confirmed Bids”.

- e) In case any person has submitted Equity shares in physical form for dematerialization, such shareholders should ensure that the process of getting the equity shares dematerialized is completed well in time so that they can participate in the offer before the Offer Closing Date.

8.13. Modification/Cancellation of orders will not be allowed during the period the Offer is open.

8.14. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the tendering period

8.15. Procedure for Tendering the Shares in case of Non-Receipt of the Letter of Offer:

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified date, or those who have not received the Letter of offer, may also participate in this Offer. A shareholder may participate in the Offer by approaching their broker and tender Equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or Merchant Banker website (www.navigantcorp.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity shares of the Target Company. Alternatively in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificates and Form SH-4 in case of shares being held in physical form. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

8.16. The acceptance of the Offer made by the Acquirer are entirely at the discretion of the shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in this Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

8.17. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the 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 a Shareholder shall not be less than the minimum marketable lot.

As per the recent amendment of SEBI vide its circular SEBI/HO/CFD/DCR-III/ CIR/P/2021/615 dated August 13, 2021, in consultation with Depositories, Clearing Corporations and Stock Exchanges, it has been decided that a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the Annexure. All other procedures shall remain unchanged.

8.18. Settlement Process

- a) On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement

of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.

- b) The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

8.19. Settlement of Funds/ Payment Consideration

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the 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 Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling 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. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Navigant Corporate Advisors Limited, 804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri-Kurla Road, Andheri East, Mumbai-400059 from 11.30 a.m. to 2.30 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer. Shareholders have option to verify below mentioned records electronically by placing a request on the email i.e. navigant@navigantcorp.com by providing details such as DP-ID-Client ID and Folio No etc.

- Certificate of Incorporation, Memorandum and Articles of Association of Swadeshi Industries and Leasing Limited.
- Certificate dated 29th November, 2023 issued by CA Jigar Samani (Membership No. 183317), Partner of M/s. NSJS & Associates, Chartered Accountants (Firm Registration No. 0147176W) certifying the Net worth of Acquirer.
- Annual Reports of Swadeshi Industries and Leasing Limited for years ended on March 31, 2023, 2022 and 2021.
- Escrow Agreement dated 21st February, 2024 executed between Mrs. Jayshree Radheshyam Sharma (Acquirer) and Kotak Mahindra Bank Limited and Navigant Corporate Advisors Limited (“Escrow Agreement”).
- Share Purchase Agreement dated 21st February, 2024 executed between Mrs. Jayshree Radheshyam Sharma (Acquirer) and Sellers.
- Bank Statement of Kotak Mahindra Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation.

- Copy of Public Announcement dated 21st February, 2024.
- Published copy of the Detailed Public Statement, which appeared in the newspapers on 28th February, 2024.
- Copy of Recommendation made by Committee of Independent Directors of Swadeshi dated (.).
- Observation letter no (.) dated (.) on the Draft Letter of Offer filed with the Securities and Exchange Board of India.
- Memorandum of Understanding between Manager to the Offer i.e. Navigant Corporate Advisors Limited & Acquirer.

10. DECLARATION BY THE ACQUIRER

I have made all reasonable inquiries, accept responsibility for, and confirm that this DLOF contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this DLOF is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

I am solely responsible for ensuring compliance with the Takeover Regulations and the obligations as stated under the Takeover Regulations. All information contained in this document is true and correct as on date of the PA, DPS and this DLOF, unless stated otherwise.

I hereby declare and confirm that all the relevant provisions of Companies Act, 2013 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 2013 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

Signed by Acquirer:

Sd/-

Mrs. Jayshree Radheshyam Sharma

Place: Mumbai

Date: 06.03.2024

ENCLOSURES:

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s) in the case of shares held in physical mode.