

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This offer letter (“**Letter of Offer**”/ “**LOF**”) is being sent to you as a Public Shareholder of Naga Limited as on the Specified Date (*defined below*) in accordance with the Delisting Regulations (*defined below*). In case you have recently sold your Equity Shares (*defined below*) in the Company please hand over this Offer Letter and the accompanying documents to the member of the Stock Exchange through whom the sale was effected.

LETTER OF OFFER

To the Public Shareholders for Voluntary Delisting of Equity Shares of



NAGA LIMITED (“Company”)

Corporate Identification Number (“CIN”): L24246TN1991PLC020409

Registered Office: No 1, Anna Pillai Street, Chennai-600 001, Tamil Nadu;

Tel No. +91-44 2536 3535; **Fax No.** +91 44 2536 3535;

Corporate Office: No.1 Trichy Road, Dindigul- 624 005, Tamil Nadu **Email:** marikannanv@nagamills.com; **Website:** www.nagamills.com

Company Secretary & Compliance Officer: Mr. V. Marikannan

BY THE MEMBERS OF PROMOTER GROUP OF THE COMPANY

Name	Address/ Registered Office	Defined in LOF as
M.M.Detergents Company Private Limited	No 1, Anna Pillai Street, Chennai-600 001, Tamil Nadu	Promoter Acquirer 1
K.S. Kamalakannan	No.1, Nagalakshmi Illam, Annai Nagar, Seelapadi Village, Seelapadi, Dindigul – 624 005	Promoter Acquirer 2
Mageswari Kannan	No.1, Nagalakshmi Illam, Annai Nagar, Seelapadi Village, Seelapadi, Dindigul – 624 005	Promoter Acquirer 3
Sounder Kannan	No.1, Nagalakshmi Illam, Annai Nagar, Seelapadi Village, Seelapadi, Dindigul – 624 005	Promoter Acquirer 4
M. Jayalalitha	No.1, Nagalakshmi Illam, Annai Nagar, Seelapadi Village, Seelapadi, Dindigul – 624 005	Promoter Acquirer 5
Lakshmi Vijayanand	No.9 Valu House, Nagalakshmi Road, Seelapadi Village, Seelapadi, Dindigul – 624 005.	Promoter Acquirer 6
M. Sukumar	Temple View House, Near Athiparasakthi Temple, Annai Nagar, Seelapadi Village, Dindigul – 624 005.	Promoter Acquirer 7
Naga Marine Industries Limited	No 1, Anna Pillai Street, Chennai-600 001, Tamil Nadu	Promoter Acquirer 8

All above are collectively referred to as the “**Promoter Acquirers**”

The Promoter Acquirers are making this offer to the Public Shareholders of the Company pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the “**Delisting Regulations**”) and are inviting you to tender your fully paid-up equity shares of face value of Rs. 10/- each of the Company (“**Equity Shares**”), through the reverse book-building process (“**RBBP**”) in accordance with the Delisting Regulations to delist the Equity Shares from the Metropolitan Stock Exchange of India Limited (“**MSEI**”). (“**Delisting Offer**”)

Floor Price: Rs. 82.22 per Equity Share

BID OPENING DATE: FRIDAY, MARCH 05, 2021 | BID CLOSING DATE: FRIDAY, MARCH 12, 2021

Note:

1. If you wish to tender your Equity Shares to the Promoter Acquirers, you should read this Letter of Offer and the instructions herein.
2. The Offer (*defined below*) will be implemented by the Promoter Acquirers through the stock exchange mechanism, as provided under the Delisting Regulations and the SEBI Circulars (*defined below*) and “Operational Guidelines for Offer to Buy Window” issued by the BSE Limited, to facilitate tendering of the Equity Shares by the Public Shareholders (*defined below*) and settlement of the same, through the stock exchange mechanism.
3. For the implementation of the Delisting Offer (*defined below*), the Promoter Acquirers have appointed Systematix Shares and Stocks (India) Limited as the registered broker through whom the Promoter Acquirers would make the purchases and settlements on account of the Offer.
4. Please complete and sign the accompanying Bid Form (enclosed at the end of this document) in accordance with instructions therein and in this Letter of Offer.
5. Detailed procedures for the submission and settlement of Bids (*defined below*) are set out in paragraph 17 of this Letter of Offer.
6. Kindly note that Bids shall be placed on BSE Limited only.

MANAGER TO THE OFFER


SYSTEMATIX GROUP
Investments Re-defined
SYSTEMATIX CORPORATE SERVICES LIMITED
(CIN: L91990MP1985PLC002969)
The Capital, A-Wing, No. 603-606, 6th Floor,
Plot No. C-70, G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051, India.
Tel. No. +91-22-67048000
Fax No. +91-22-67048022
Email: ecm@systematixgroup.in
SEBI Registration No.: INM 000004224
Contact Person: Mr. Amit Kumar

REGISTRAR TO THE OFFER


CAMEO
CAMEO CORPORATE SERVICES LIMITED,
(CIN: U67120TN1998PLC041613)
Subramanian Building, No 1, Club House Road,
Chennai, 600 002, India
Telephone: +91-44-2846 0390
Fax: +91-44 - 2846 0129
Email: cameo@cameoindia.com
SEBI Registration No.: INR000003753
Contact Person: Mr. R.D. Ramasamy

SCHEDULE OF ACTIVITIES

Activity	Day and Date
Resolution for approval of the Delisting Proposal passed by the board of directors the Company	Thursday, December 24, 2020
Date of receipt of the MSEI in-principle approval	Tuesday, February 23, 2021
Specified Date for determining the names of the Public Shareholders to whom the Letter of Offer is sent*	Tuesday, February 23, 2021
Date of publication of Public Announcement	Wednesday, February 24, 2021
Last date of dispatch of the Letter of Offer to the Public Shareholders as on Specified Date**	Friday, February 26, 2021
Bid Opening Date (bid starts at market hours on BSE)	Friday, March 05, 2021
Last Date for revision (upwards) or withdrawal of Bids on BSE	Wednesday, March 10, 2021
Bid Closing Date (bid closes at market hours on BSE)	Friday, March 12, 2021
Last date for announcement of counter offer	Tuesday, March 16, 2021
Last date for announcement of the Discovered Price or the Exit Price and Acceptance or Non-acceptance of the Discovered Price or the Exit Price by the Promoter Acquirers#	Friday, March 19, 2021
Proposed date for payment of consideration##	Friday, March 26, 2021
Proposed date for return of Equity Shares to the Public Shareholders in case of Bids not being accepted / failure of the Delisting Offer	Friday, March 26, 2021

* *The Specified Date is only for the purpose of determining the name of the Public Shareholders as on such date to whom the Letter of Offer will be sent. However, all owners (registered or unregistered) of the Equity Shares of the Company are eligible to participate in the Delisting Offer any time on or before the Bid Closing Date*

** *Such activity may be completed on or before the last date.*

This is an indicative date and the announcement may be made on or before the fifth working day from the Bid Closing Date.

Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Promoter Acquirers.

All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. In the event there is any change in the proposed schedule, it will be announced to the Public Shareholders by way of corrigendum in all the newspapers in which the Public Announcement has appeared.

RISK FACTORS

The risk factors set forth below do not relate to the present or future business operations of the Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any shareholder in the Offer. Each Public Shareholder of the Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choice, if any, for further risks with respect to each such shareholder's participation in the Offer and related sale and transfer of Offer Shares of the Company to the Promoter Acquirers.

Risk factors relating to the transaction, the proposed Offer and the probable risk involved in associating with the Promoter:

- The Promoter Acquirers make no assurance with respect to the financial performance of the Company.
- In the event that there is any litigation leading to a stay on the Offer (as defined below) then the Offer process may be delayed beyond the schedule of activities indicated in this Offer Letter. Consequently, the payment of consideration to the Public Shareholders whose Offer Shares (as defined below) are accepted under this Offer as well as the return of Offer Shares not accepted under this Offer by the Promoter Acquirers may get delayed.
- The Promoter Acquirers and the Manager to the Offer accepts no responsibility for statements made otherwise than in this Offer Letter or in the Public Announcement or in advertisements or other materials issued by, or at the instance of the Promoter Acquirers or the Manager to the Offer, and anyone placing reliance on any other source of information, would be doing so at his/her/their own risk.
- This Offer is subject to completion risks as would be applicable to similar transactions.

TABLE OF CONTENTS

1. BACKGROUND OF THE DELISTING OFFER	7
2. NECESSITY AND OBJECTIVE FOR DELISTING	9
3. BACKGROUND OF THE PROMOTER ACQUIRERS AND THE PROMOTER GROUP	9
4. BACKGROUND OF THE COMPANY	13
5. PRESENT CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY	14
6. LIKELY POST-DELISTING CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY	15
7. STOCK EXCHANGE FROM WHICH THE EQUITY SHARES ARE TO BE DELISTED	15
8. MANAGER TO THE DELISTING OFFER	15
9. REGISTRAR TO THE DELISTING OFFER	16
10. STOCK BROKER OF THE PROMOTER ACQUIRERS OR TRADING MEMBER TO THE OFFER	16
11. INFORMATION REGARDING STOCK MARKET DATA	16
12. DETERMINATION OF THE FLOOR PRICE	17
13. DETERMINATION OF THE DISCOVERED / EXIT PRICE	18
14. MINIMUM ACCEPTANCE AND SUCCESS CONDITIONS TO THE DELSITING OFFER	19
15. ACQUISITION WINDOW FACILITY OR OFFER TO BUY (OTB)	20
16. DATES OF OPENING AND CLOSING OF BID PERIOD	20
17. PROCEDURE FOR TENDERING AND SETTLEMENT OF SHARES THROUGH BSE	21
19. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID	25
20. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN	25
21. PROPOSED TIMETABLE FOR THE OFFER	25
22. STATUTORY APPROVALS	26
23. NOTES ON TAXATION	27
24. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY	28
25. COMPLIANCE OFFICER	28
26. GENERAL DISCLAIMER	29
27. ENCLOSURES	30

DEFINITIONS

TERM	DEFINITION
Acquisition Window or Offer to Buy (OTB)	The facility for acquisition of shares through stock exchange mechanism pursuant to Delisting Offer shall be available on the BSE on a separate window
Bid Closing Date	Close of trading hours on Friday, March 12, 2021, being the last date of the Bid Period.
Bid Form	Bid forms as enclosed with this Letter of Offer and specifically marked as 'BID CUM ACCEPTANCE FORM/BID FORM' and includes 'BID REVISION CUM WITHDRAWAL FORM / BID FORM'.
Bid Opening Date	Opening of trading hours on Friday, March 05, 2021, being the date on which the Bid Period commences.
Bid Period	Bid Opening Date to Bid Closing Date, inclusive of both dates.
Board	The board of directors of the Company.
BIFR	The Board for Industrial and Financial Reconstruction
BSE	BSE Limited, Mumbai (where bids under RBBP shall be placed for Delisting)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Company / Naga	Naga Limited
Clearing Corporation / ICCL	Indian Clearing Corporation Limited
Counter Offer PA	Has the meaning ascribed to such term in paragraph 17.12.
Counter Offer Price	Has the meaning ascribed to such term in paragraph 1.15.
Delisting Offer / Offer	This offer made by the Promoter Acquirers to the Public Shareholders in accordance with the Delisting Regulations
Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Discovered Price	The minimum price per Offer Share payable by the Promoter Acquirers for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, which will be the price at which the shareholding of the Promoter Acquirers along with the other members of the promoter group reaches 90% of the total outstanding equity share capital, pursuant to a reverse book-building process through Acquisition Window Facility conducted in the manner specified in Schedule II of the Delisting Regulations which shall not be lower than the Floor Price.
Due Diligence Report	The due diligence report submitted by the Merchant Banker on December 21, 2020.
EPS	Earnings Per Share
Equity Shares	Fully paid-up equity shares of Rs.10/- each of the Company
Escrow Account	Escrow account opened with the Escrow Bank having account number 921020002333210 in the name of "Naga Limited - Delisting - Escrow Account", referred to in paragraph 20 below and in accordance with the Delisting Regulations.

Escrow Bank	Axis Bank Limited; Main Branch, Dindigul- 624 005, Tamil Nadu
Escrow Amount	Has the meaning ascribed to such term in paragraph 20.1.
Exit Price	Has the meaning ascribed to such term in paragraph 1.15.
Exit Window	Has the meaning ascribed to such term in paragraph 19.
FII	Foreign Institutional Investor
FIPB	Foreign Investment Promotion Board of India
Floor Price	Rs. 82.22 (Rupees Eighty Two and Paise Twenty-Two only) per Equity Share
Indicative Offer Price	Rs. 83.00 (Rupees Eighty Three and only) per Equity Share
Letter of Offer	This Letter of Offer issued by the Promoter Acquirers dated February 24, 2021
Manager to the Offer / Merchant Banker	Systematix Corporate Services Limited
MSEI / Stock Exchange	Metropolitan Stock Exchange Of India Limited
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
OTB	Offer To Buy
PAN	Permanent Account Number
PBDT	Profit Before Depreciation and Tax
Physical Shares	Offer Shares that are not in dematerialised form.
Physical Shareholders	Public Shareholders who hold Physical Shares.
Promoter Acquirers	M. M. Detergents Company Private Limited (Promoter Acquirer 1), K. S. Kamalakannan (Promoter Acquirer 2), Mageswari Kannan (Promoter Acquirer 3), Sounder Kannan (Promoter Acquirer 4), M. Jayalalitha (Promoter Acquirer 5), Lakshmi Vijayanand (Promoter Acquirer 6), M. Sukumar (Promoter Acquirer 7), Naga Marine Industries Limited (Promoter Acquirer 8) are jointly referred to as (" Promoter Acquirers ")
Promoter Group	Promoter and entities disclosed as part of the Promoter Group in filings made by the Company with the Stock Exchange in accordance with Regulation 2(1)(w) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Public Announcement / PA	The public announcement issued by the Promoter Acquirers on February 24, 2021 in accordance with Regulation 10(1) of the Delisting Regulations
Public Shareholders	All the shareholders of the Company other than Promoter and Promoter Group members of the Company
RBBP	Reverse Book-Building Process as defined in the Delisting Regulations
RBI	The Reserve Bank of India

Registrar to the Offer	Cameo Corporate Services Limited
Residual Shareholders	The Public Shareholders whose Offer Shares have not been acquired by the Promoter Acquirers during the Delisting Offer.
SEBI	Securities and Exchange Board of India
SEBI Circulars	SEBI's circular dated April 13, 2015 on 'Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting' and circular dated December 9, 2016 on 'Streamlining the process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buyback and Delisting of Securities'.
Stock Broker of the Promoter Acquirers / Trading Member	Systematix Shares & Stocks (India) Limited
Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TRS	Transaction Receipt Slip
UCC	Unique Client Code
VWAP	Volume Weighted Average Price
WAP	Weighted Average Price

Dear Public Shareholder(s),

Invitation to tender Equity Shares held by you in the Company

The Promoter Acquirers are pleased to invite you to tender your Equity Shares, on the terms and subject to the conditions set out in the Delisting Regulations and this Letter of Offer, the Equity Shares held by you in the Company pursuant to the Delisting Offer made in accordance with relevant provisions of the Delisting Regulations.

1. BACKGROUND OF THE DELISTING OFFER

- 1.1. The Company is a public limited company incorporated under the Companies Act, 1956, having its registered office at No 1, Anna Pillai Street, Chennai, Tamil Nadu - 600001. The equity shares of face value of Rs. 10/- each of the Company (“**Equity Shares**”) are listed and traded on the Metropolitan Stock Exchange of India Limited (the “**MSEI**” or the “**Stock Exchange**”) only.
- 1.2. As on date of this Letter of Offer the Promoters and Promoter Group (inclusive of the Promoter Acquirers) jointly holds 1,06,42,335 Equity Shares representing 74.69% of the paid-up equity share capital of the Company and the Public Shareholders hold 36,05,665 Equity Shares representing 25.31% of the paid-up equity share capital of the Company. The Promoter Acquirers will acquire all Equity Shares accepted in the Delisting Offer pursuant to successful completion of the Delisting Offer in terms of the Delisting Regulations.
- 1.3. The Promoter Acquirers seek to acquire 36,05,665 Equity Shares (“**Offer Shares**”) representing the balance 25.31% of the paid-up equity share capital from the public shareholders of the Company (“**Public Shareholders**”) being all the shareholders of the Company other than the Promoter Group pursuant to Regulation 5 & 6(b) read with Chapter IV of the Delisting Regulations. If the Delisting Offer is successful as defined in paragraph 14 of this Letter of Offer, an application will be made for delisting the Equity Shares from the Stock Exchange in accordance with the provisions of the Delisting Regulations and the terms and conditions set out below and in the Letter of Offer, and any other documents relating to the Delisting Offer. Consequently, the Equity Shares shall be voluntarily delisted from the Stock Exchange.
- 1.4. Pursuant to a letter dated December 04, 2020, Promoter Acquirers have conveyed its intention to make the Delisting Offer to acquire, the Offer Shares and to delist the Equity Shares from the Stock Exchange in accordance with the Delisting Regulations and requested the Board to (a) take all actions as may be required to be undertaken by the Company in terms of the Delisting Regulations including inter-alia the appointment of a merchant banker to undertake due diligence and provide necessary information for the due diligence; (b) convene a meeting of the Board to consider and approve the Delisting Offer, as required under the Delisting Regulations; (c) take necessary steps to convene a meeting of the shareholders to approve the Delisting Offer in accordance with the Delisting Regulations; and (d) obtain in-principle approval from the Stock Exchange for the proposed delisting of Equity Shares. The receipt of the Letter was intimated by the Company to the Stock Exchange on December 04, 2020. The Promoter Acquirers in the letter also informed the Company of their willingness to accept Equity Shares tendered by the Public Shareholders in the Delisting Offer at a price of Rs. 83.00 per Equity Share (the “**Indicative Offer Price**”).

The Indicative Offer Price should in no way be construed as:

- (a) A maximum or minimum price for the purpose of the reverse book building process and the Public Shareholders are free to tender their Equity Shares at any price irrespective of the Indicative Offer Price, in accordance with the Delisting Regulations; or
- (b) A commitment by Promoter Acquirers to accept the Equity Shares tendered in the Delisting Offer, if the Discovered Price is less than the Indicative Offer Price; or
- (c) An obligation on the Promoter Acquirers to pay the Indicative Offer Price in the event the Discovered Price is lower than the Indicative Offer Price; or
- (d) Any restriction on the ability of the Promoter Acquirers to acquire Equity Shares at a price higher or lower than the Indicative Offer Price.

- 1.5. Pursuant to the intimation received from the Promoter Acquirers, the Board, in its meeting held on December 09, 2020 transacted the following:

- (a) considered and took on record the Intention Letter; and
- (b) approved the appointment of the Merchant Banker, as the merchant banker, in accordance with Regulation 8(1A)(ii) of the Delisting Regulations, for the purposes of carrying out the due diligence in accordance with Regulation 8(1A)(iii), Regulation 8(1A)(iv), Regulation 8(1D) and other relevant provisions of the Delisting Regulations;

The outcome of the Board meeting was notified to the Stock Exchange on the same day.

1.6. The Company notified the Stock Exchange on December 21, 2020, that a meeting of the Board is to be held on December 24, 2020 in order to (i) take on record and consider the Due Diligence Report submitted by the Merchant Banker; and (ii) take a decision on the voluntary delisting proposal submitted by the Promoter Acquirers *vide* the Letter.

1.7. The Board, in its meeting held on December 24, 2020, took the following decisions:

- (a) The Board took on record the Due Diligence Report,
- (b) The Board certified that: (i) the Company is in compliance with the applicable provisions of securities laws; (ii) The Promoter group and their related entities are in compliance with sub-regulation (5) of Regulation 4 of the Delisting Regulations; and (iii) the Delisting Offer is in the interest of the shareholders.
- (c) The Board approved the Delisting Offer in terms of Regulation 8(1)(a) of the Delisting Regulations subject to approval of the shareholders of the Company through a postal ballot in accordance with the Delisting Regulations and subject to any other requirement under applicable laws, including any conditions as may be prescribed or imposed by any authority while granting any approvals.
- (d) The Board accepted and took on record the certificate provided by Ms. Payal Gada, Proprietor of Payal Gada & Co., Chartered Accountants (ICAI FRN: 148529W) that sets out the Floor Price of the Delisting Offer to be Rs. 82.22 per Equity Share.

The outcome of the Board meeting was notified to the Stock Exchange on the same day.

1.8. A copy of Notice dated December 24, 2020 (the “**Notice**”) is sent to the public shareholders to obtain their approval in accordance with the provisions of the Delisting Regulations.

1.9. The shareholders of the Company have passed a special resolution through postal ballot, the result of which was declared on February 03, 2021, approving the Delisting Offer in accordance with Regulation (8)(1)(b) of the Delisting Regulations and other applicable laws. The Company has notified the result of postal ballot to the Stock Exchange on February 03, 2021. The votes cast by the Public Shareholders in favour of the Delisting Offer were 34,13,440 which are more than thrice the number of votes cast by the Public Shareholders against the Delisting Offer, being 5,000.

1.10. The MSEI has issued its in-principle approval to the Delisting Offer subject to compliance with the Delisting Regulations, *vide* their letter dated February 23, 2021.

1.11. The Delisting Offer made by the Promoter Acquirers is required to be made through Reverse Book-Built Process (RBBP) but MSEI does not have their RBB software therefore the Promoter Acquirers have taken permission from MSEI to avail BSE Limited (“**BSE**”) RBB platform for Delisting Offer.

1.12. Hence, Public Shareholders have to bid their Equity Shares in the Delisting Offer on BSE OTB Platform and will be required to check with their respective brokers about having a membership of BSE to place their bids. In case, the Shareholders’ broker does not have membership of BSE then such Shareholders may approach Promoter Acquirers’ Broker (i.e. Systematix Shares and Stocks (India) Limited) to place their bids subject to necessary compliance with their KYCs on or before placing their bids.

1.13. The Public Announcement (PA) is being issued in the following newspapers as required under the Delisting Regulations:

Newspapers	Language	Editions
Business Standard	English	All India
Business Standard	Hindi	All India
Prathakal	Marathi	Mumbai
Makkal Kural	Tamil	Chennai

1.14. Any changes, modifications or amendments to the Public Announcement or the Delisting Offer, if any will be notified by way of issuing corrigendum in all of the aforesaid newspapers.

1.15. The Delisting Offer is subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price calculated in accordance with the Delisting Regulations by the Promoter Acquirers. The Promoter Acquirers and other members of the Promoter Group may also, at their sole and absolute discretion, propose: (a) a price higher than the Discovered Price for the purposes of the Delisting Offer; or (b) a price which is lower than the Discovered Price but not less than the book value of the Company as certified by the merchant banker in terms of Regulation 16(1A) of the Delisting Regulations (“Counter Offer Price”). The “Exit Price” shall be: (i) the Discovered Price, if accepted by the Promoter Acquirers; or (ii) a price higher than the Discovered Price, if offered by the Promoter Acquirers at its absolute discretion; or (iii) the Counter Offer Price offered by the Promoter Acquirers at its discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Promoter Acquirers, Promoter and the members of the promoter group reaching 90% of the equity share capital of the Company.

2. NECESSITY AND OBJECTIVE FOR DELISTING

2.1. Following are the main objectives of the Delisting Offer specified by the Promoter in the Letter:

- a) The main objective of the Delisting Proposal is to obtain full ownership of the Company by the Promoter & Promoter Group which will in turn provide increased financial flexibility to support the Company's business and financial needs, including but not limited to exploring new financing structures including financial support from the Promoter Group.
- b) The Delisting Proposal will help in cost savings and allow the management to dedicate more time and focus on the Company's business;
- c) The Delisting Proposal will provide the Public Shareholders an opportunity to realize immediate and certain value for their Equity Shares since no trading has been recorded on MSEI for the last couple of years; and
- d) The Delisting Proposal will provide Public Shareholders an opportunity to exit/ liquidate/ realise certain value for their Equity shares as otherwise there is no trading in the Equity Shares of the Company since May 15, 2017 on the Stock Exchange.

3. BACKGROUND OF THE PROMOTER ACQUIRERS AND THE PROMOTER GROUP

3.1. M.M. Detergents Company Private Limited (Promoter Acquirer 1)

- i. M.M. Detergents Company Private Limited is private limited company incorporated under the provisions of the Companies Act 1956 on February 19, 1993. The CIN of the Promoter Acquirer 1 issued by the Registrar of Companies, Tamil Nadu is U24246TN1993PTC024398. The registered office of the Promoter Acquirer 1 is situated at No.1, Anna Pillai Street, George Town, Chennai-600 001, Tamil Nadu.
- ii. The principal activity of the Promoter Acquirer 1 is to carry on the business of manufacturing soaps, soap chips, soap powders, glycerins, detergents, toiletries and cosmetics.
- iii. The authorised share capital of the Promoter Acquirer 1 is Rs. 51,00,000 (Rupees Fifty One Lakh) comprising 51,000 (Fifty One Thousand) equity shares of face value Rs. 100 each. The paid up share capital of the Promoter Acquirer 1 as on the date of this Letter of Offer is Rs. 42,00,000 (Rupees Forty Two Lakh) comprising of 42,000 (Forty Two Thousand) equity shares of face value of Rs. 100 each fully paid-up.
- iv. The shareholding of the Promoter Acquirer 1 as on December 31, 2020 is given below:

Name	Number of shares	%age of shares
Mr. K.S. Kamalakannan	30,470	72.55
Mrs. Mageswari Kannan	11,520	27.43
Ms. M. Jayalalitha	10	0.02
Total	42,000	100.00

- v. As on date of the Letter of Offer, Promoter Acquirer 1 holds 10,24,000 Equity Shares representing 7.19% of the total equity share capital of the Company.

- vi. The shareholders of the Promoter Acquirer 1 also hold Equity Shares in the Target Company as mentioned below:

Name	Number of shares	%age of shares
Mr. K.S. Kamalakannan	60,70,570	42.61
Mrs. Mageswari Kannan	18,55,220	13.02
Ms. M. Jayalalitha	10	Negligible

- vii. Select extracts of the audited financials of the Promoter Acquirer 1 for the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018, being the last three financial years for which audited financials are available:

(Rs.in Cr.)

Particulars (in Rs)	FY20	FY19	FY18
Equity Capital	0.42	0.42	0.42
Reserves & Surplus	8.75	8.08	6.52
Total Equity	9.17	8.50	6.94
Non-current borrowings	0	0	0
Other non- current Liabilities	0.0023	0.10	0.10
Current borrowings	6.07	0	45.17
Other current Liabilities	12.53	0.88	32.57
Total equity and liabilities	27.78	9.49	84.79
Fixed Assets (including Capital Work in Progress)	3.91	3.93	3.61
Other non-current assets	1.41	1.16	1.23
Cash and cash equivalents	0.35	0.83	0.30
Other Current Assets	22.09	3.55	79.64
Total Assets	27.78	9.49	84.79
Revenue from Operations	84.07	194.46	53.85
Other Operating Income	3.08	3.83	1.18
Total Operating Income	87.15	198.30	55.04
Total Expenses	86.37	196.37	53.96
Profit/ (Loss) Before exceptional items and Tax	0.78	1.93	1.07
Exceptional Items	0.08	0.22	0
Profit/ (Loss) Before Tax	0.86	2.15	1.07
Taxes	0.19	0.59	0.19
Profit/(Loss) After Tax	0.66	1.55	0.88

3.2. K. S. Kamalakannan (“Promoter Acquirer 2”)

- Mr. K. S. Kamalakannan, S/o Mr. K.Sreenivasan, aged 64 years, is a citizen of India and resides at No.1, Nagalakshmi Illam, Seelapadi Road, Annai Nagar, Seelapadi, Dindigul – 624005, Tamil Nadu. The Promoter Acquirer 2 is F.M.Tech graduate and having 47 years of experience in the field of Flour milling, manufacturing Detergents, processing of Minerals, Real Estate development, Wind Mill. The Promoter Acquirer 2 is currently acting as Chairman and Managing Director of the Company.
- As on date of the Letter of Offer, Promoter Acquirer 2 holds 60,70,570 Equity Shares representing 42.61% of the total equity share capital of the Company.

3.3. Mageswari Kannan (“Promoter Acquirer 3”)

- i. Mrs. Mageswari Kannan, w/o Mr. K. S. Kamalakannan, aged 62 years, is a citizen of India and resides at No.1, Nagalakshmi Illam, Seelapadi Road, Annai Nagar, Seelapadi, Dindigul – 624005, Tamil Nadu. The Promoter Acquirer 3 is B.Sc graduate and having 39 years of experience in the field of Flour Milling, Minerals & Manufacturing Detergents. The Promoter Acquirer 3 is currently acting as Joint Managing Director of the Company.
- ii. As on date of the Letter of Offer, Promoter Acquirer 3 holds 18,55,220 Equity Shares representing 13.02% of the total equity share capital of the Company.

3.4. Sounder Kannan (“Promoter Acquirer 4”)

- i. Mr. Sounder Kannan, S/o Mr. K. S. Kamalakannan, aged 39 years, is a citizen of India and resides at No.1, Nagalakshmi Illam, Seelapadi Road, Annai Nagar, Seelapadi, Dindigul – 624005, Tamil Nadu. The Promoter Acquirer 4 is B.E. Mechanical graduate and having 15 years of experience in the field of Flour milling, manufacturing Detergents, processing of Minerals, Real Estate development, Wind Mill. The Promoter Acquirer 4 is currently acting as Whole Time Director of the Company.
- ii. As on date of the Letter of Offer, Promoter Acquirer 4 holds 8,17,855 Equity Shares representing 5.74% of the total equity share capital of the Company.

3.5. M. Jayalalitha (“Promoter Acquirer 5”)

- i. Ms. M. Jayalalitha, D/o Mr. A.Mohambaram, aged 55 years, is a citizen of India and resides at No.1, Nagalakshmi Illam, Seelapadi Road, Annai Nagar, Seelapadi, Dindigul – 624005, Tamil Nadu. The Promoter Acquirer 5 is M.Com graduate and having 15 years of experience in the field of Detergents manufacturing. The Promoter Acquirer 5 is currently acting as Business Head- Detergent Division of the Company.
- ii. As on date of the Letter of Offer, Promoter Acquirer 5 holds 10 Equity Shares representing Negligible% of the total equity share capital of the Company.

3.6. Lakshmi Vijayanand (“Promoter Acquirer 6”)

- i. Mrs. Lakshmi Vijayanand, W/o Mr. D. Vijay Anand, aged 42 years, is a citizen of India and resides at No. 9, Valu House, Nagalakshmi Road, Seelapadi Village, Seelapadi, Dindigul – 624005, Tamil Nadu. The Promoter Acquirer 6 has Masters in Business Systems and having 16 years of experience in the field of Flour Milling, Minerals & Medicals . The Promoter Acquirer 6 is currently acting as Business Head- Foods Division of the Company.
- ii. As on date of the Letter of Offer, Promoter Acquirer 6 holds 3,57,680 Equity Shares representing 2.51% of the total equity share capital of the Company.

3.7. M. Sukumar (“Promoter Acquirer 7”)

- i. Mr. M. Sukumar, S/o A.Mohambaram , aged 63 years, is a citizen of India and resides at Temple View House, Near Aathi Parasakthi Temple, Annai Nagar, Dindigul – 624 005, Tamil Nadu. The Promoter Acquirer 7 is Bachelor’s Degree in Law and having 15 years of experience in the field of Minerals. The Promoter Acquirer 7 is currently acting as Business Head –Minerals Division of the Company.
- ii. As on date of the Letter of Offer, Promoter Acquirer 7 does not hold any Equity Shares of the Company.

3.8. Naga Marine Industries Limited (Promoter Acquirer 8)

- i. Naga Marine Industries Limited is public limited company incorporated under the provisions of the Companies Act 1956 on August 08, 1994. The Corporate Identity Number (“CIN”) of the Promoter Acquirer 8 issued by the Registrar of Companies, Tamil Nadu is U05001TN1994PLC028300. The registered office of the Promoter Acquirer 8 is situated at No.1, Anna Pillai Street, Chennai-600 001, Tamil Nadu.
- ii. The principal activity of the Promoter Acquirer 8 is to carry on the business of sale of prawns and wheat trading.
- iii. The authorised share capital of the Promoter Acquirer 8 is Rs. 1,00,00,000 (Rupees One Crore) comprising 10,00,000 (Ten Lakh) equity shares of face value Rs. 10 each. The paid up share capital of

the Promoter Acquirer 8 as on the date of the Letter of Offer is Rs. 64,00,000 (Rupees Sixty Four Lakh) comprising of 6,40,000 (Six Lakh Forty Thousand) equity shares of face value of Rs. 10 each.

iv. The Shareholding of the Promoter Acquirer 8 as on December 31, 2020 is given below:

Name	Number of shares	%age of shares
Mageswari Kannan	3,43,900	53.73
K. S. Kamalakannan	1,72,500	26.95
Other Public Share Holders	1,23,600	19.31
Total	6,40,000	100.00

v. As on date of the Letter of Offer, Promoter Acquirer 8 holds 4,44,500 Equity Shares representing 3.12% of the total equity share capital of the Company.

vi. The shareholders of the Promoter Acquirer 8 hold Equity Shares in the Target Company as mentioned below:

Name	Number of shares	%age of shares
Mr. K.S. Kamalakannan	60,70,570	42.61
Mrs. Mageswari Kannan	18,55,220	13.02
Other Public Shareholders	14,10,567	9.90

vii. Select extracts of the audited financials of the Promoter Acquirer 8 for the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018, being the last three financial years for which audited financials are available:

(Amount in Cr.)

Particulars (in Rs)	FY20	FY19	FY 18
Equity Capital	0.64	0.64	0.64
Reserves & Surplus	3.90	3.02	2.62
Total Equity	4.54	3.66	3.26
Non-current borrowings	0	0	0
Other non- current Liabilities	0.12	0	0
Current borrowings	25.11	0	0
Other current Liabilities	26.29	0.06	0.14
Total equity and liabilities	56.07	3.72	3.40
Fixed Assets (including Capital Work in Progress)	1.66	1.78	1.91
Other non-current assets	1.01	0.65	0.65
Cash and cash equivalents	0.30	1.10	0.64
Other Current Assets	53.09	0.19	0.18
Total Assets	56.07	3.72	3.40
Revenue from Operations	156.26	0	0.36
Other Operating Income	5.02	1.01	0.91
Total Operating Income	161.28	1.01	1.27
Total Expenses	159.89	0.46	0.84
Profit/ (Loss) Before Tax	1.38	0.54	0.43
Taxes	0.50	0.14	0.12
Profit/(Loss) After Tax	0.88	0.39	0.30

3.9. The Promoter Group has not traded in the shares of the Company during the last six months from the date of board meeting (i.e. December 24, 2020) at which the Delisting Offer was approved and further undertake not to sell Equity Shares of the Company till completion of the Delisting Offer in accordance with the Delisting Regulations.

3.10. The Promoter Group has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 (“SEBI Act”) or any other regulations made other the SEBI Act.

3.11. The Promoter Acquirers hereby invite all the Public Shareholders to bid in accordance with the reverse book building process (RBBP) of BSE and on the terms and subject to the conditions set out herein, and/ or in the Public Announcement, all of their Equity Shares of the Company, being 36,05,665 fully paid up Equity Shares of Rs. 10/- each representing 25.31% of the paid up share capital of the Company (“Offer Size”).

4. BACKGROUND OF THE COMPANY

4.1. The Company was originally incorporated as “Naga Oil Mills Limited” as Public Limited Company under the Companies Act, 1956 vide Certificate of Incorporation dated March 01, 1991 and Certificate of Commencement of Business dated April 25, 1991 issued by Registrar of Companies, Tamil Nadu. Later, name of the Company was changed to “Naga Limited” vide fresh certificate of incorporation dated April 02, 1998 issued by Registrar of Companies, Tamil Nadu. The CIN of the Company is L24246TN1991PLC020409.

4.2. The Company’s Registered Office is situated at No.1, Anna Pillai Street, Chennai-600001, Tamil Nadu, India. Tel No. +91-44-2536 3535; Fax No. +91-44-2536 3535, Email: marikannanv@nagamills.com; Web: www.nagamills.com

4.3. The Company’s Corporate Office is situated at No.1 Trichy Road, Dindigul- 624 005, Tamil Nadu;

4.4. The Main objects of the Company are to carry on the business of running Flour Millings, Wheat related Food products, detergents, minerals, captive wind mills and solar mills.

4.5. The Equity Shares of the Company are currently listed on MSEI only.

4.6. The share capital of the Company is as follows:

Particulars	Amount (in Rs.)
Authorised Capital	
2,75,00,000 Equity Shares of Rs. 10/- each	27,50,00,000
Total	27,50,00,000
Paid up Capital	
1,42,48,000 Equity Shares of Rs. 10/- each	14,24,80,000
Total	14,24,80,000

4.7. The Promoter Group entities shall not participate in the Offer and undertake not to tender their Equity Shares in the Reverse Book Building Process (RBBP).

4.8. The shareholding pattern of the Company, as on December 31, 2020 is as under:

Particulars	No. of Equity Shares	Shareholding (%)
Promoter Group	1,06,42,335	74.69
Public	36,05,665	25.31
Total	1,42,48,000	100.00

4.9. There are no outstanding instruments in the nature of warrants or fully convertible debentures or partly convertible debentures or employee stock options etc., which are convertible into Equity Shares at any later date. Also, Equity Shares held by the Promoter Group of the Company are not locked-in.

4.10. The Board of Directors of the Company as on date of the Letter of Offer is as follows:

Name	DIN	Date of Appointment	Shareholding in the Company
Karuppaih Venkatachalam	0001062171	13/01/2012	Nil
Subramanian Neelakantan	0001474064	21/08/2017	Nil
Kamalakannan Kolar Sreenivasan	0001601589	01/08/1998	60,70,570
Sounder Kannan Kamalakannan	0001603823	08/03/2006	8,17,855
Ramesh Sathyamoorthy	0001620265	08/03/2006	Nil
Louis Antony Irudayaraj	0001973946	06/07/2007	400
Mageswari Kannan Mohambaram	0002107556	01/08/1998	18,55,220
Vijay Anand	0007400565	21/08/2017	Nil

4.11. A brief summary of the Consolidated financial performance of the Company is mentioned below:

(Rs. in Cr.)

Particulars	For the half year period ended Sept 30, 2020	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	Unaudited	Audited	Audited	Audited
Profit & Loss Account				
Total Income	755.33	1009.67	851.34	902.87
Profit/(Loss) Before Tax	9.72	8.25	25.30	36.88
Profit/(Loss) After Tax	8.06	12.40	17.80	22.04
Other Comprehensive Income	0	-0.48	-0.09	-0.12
Total Comprehensive Income	8.06	11.92	17.71	21.92
Balance Sheet				
Paid up Share Capital	14.25	14.25	14.25	14.25
Reserves and Surplus	129.14	121.08	111.91	95.57
Net worth/Total Equity	143.39	135.33	126.16	109.82
Total Liabilities	548.33	423.45	243.52	353.05
Total Liabilities and Equity	691.72	558.78	369.68	462.87
Total Assets	691.72	558.78	369.68	462.87

Source: www.msei.in.

5. PRESENT CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY

5.1. The Capital Structure of the Company as on the date of the PA is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares / Voting Rights	% of Share Capital / Voting Rights of the Company
Fully Paid-up Equity Shares	1,42,48,000	100.00
Partly Paid-up Equity Shares	0	0.00
Total Paid-up Equity Shares	1,42,48,000	100.00
Total Voting Rights in Target Company	1,42,48,000	100.00

5.2. The shareholding pattern of the Company as on the date of the PA is as follows:

Particulars	No. of Equity Shares	% of Fully Paid up Share Capital of the Company
Promoter & Promoter Group (A)	1,06,42,335	74.69
Total Public Holding (B)	36,05,665	25.31
Grand Total (A+B)	1,42,48,000	100.00

6. LIKELY POST-DELISTING CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY

The post-delisting capital structure of the Company is not going to change immediately upon successful completion of the Delisting Offer. However, the likely post-delisting shareholding assuming successful completion of the Delisting Offer in terms of the Delisting Regulations is as follows:

Particulars	No. of Equity Shares	% of Fully Paid up Share Capital of the Company
Promoter & Promoter Group	1,42,48,000	100.00
Public	0	0.00
Total	1,42,48,000	100.00

7. STOCK EXCHANGE FROM WHICH THE EQUITY SHARES ARE TO BE DELISTED

- 7.1. The Equity Shares of the Company are currently listed and traded on MSEI only. The Equity Shares of the Company are infrequently traded on MSEI in terms of the SEBI (SAST) Regulations (“**Takeover Regulations**”).
- 7.2. The Promoter Acquirers is seeking to delist the Equity Shares of the Company from MSEI and “**in-principle**” approval from MSEI is obtained on February 23, 2021.
- 7.3. No application for listing shall be made in respect of the Equity Shares which have been delisted pursuant to this Offer for a period of 5 years from the date of delisting except where an application in this regard has been made under The Insolvency and Bankruptcy Code, 2016 (**IBC**).
- 7.4. Any application for listing made in future by the Company in respect of delisted Equity Shares shall be deemed to be an application for fresh listing of such Equity Shares and shall be subject to provisions of regulation relating to listing of Equity Shares of unlisted companies.
- 7.5. The Promoter Acquirers propose to acquire the Offer Shares pursuant to a reverse book building process through an acquisition window facility, i.e., separate acquisition window in form of web based bidding platform provided by BSE, in accordance with the stock exchange mechanism (the “**Acquisition Window Facility**” or “**OTB**”), conducted in accordance with the terms of the Delisting Regulations and the SEBI Circulars.

8. MANAGER TO THE DELISTING OFFER

The Promoter Acquirers have appointed the following as Manager to the Delisting Offer:



Systematix Corporate Services Limited
 The Capital, A-Wing, 6th Floor, No. 603-606,
 Plot No. C-70, G-Block, Bandra-Kurla Complex (BKC),
 Bandra (East), Mumbai 400 051, Maharashtra, India
Telephone: +91-22-6704 8000;
Fax: +91-22-6704 8022;
Contact Person: Mr. Amit Kumar
Email: ecm@systematixgroup.in
Website: www.systematixgroup.in

SEBI Registration Number: INM000004224

Validity Period: Permanent

9. REGISTRAR TO THE DELISTING OFFER

The Promoter Acquirers have appointed the following as Registrar to the Delisting Offer:



Cameo Corporate Services Limited

Subramanian Building

#1, Club House Road

Chennai 600 002 – India

Telephone: +91-44-2846 0390

Fax: +91-44 - 2846 0129

Email: cameo@cameoindia.com

Contact Person: Mr. R.D. Ramasamy

Website : www.cameoindia.com

SEBI Registration Number: INR000003753

Validity Period: Permanent

The Registrar to the Delisting Offer is also happens to be the Registrar & Transfer Agent of the Company.

10. STOCK BROKER OF THE PROMOTER ACQUIRERS OR TRADING MEMBER TO THE OFFER

The Promoter Acquirers have appointed the following as the Stock Broker/Trading Member to the Offer:



Systematix Shares and Stocks (India) Limited

The Capital, A-Wing, No. 603-606, 6th Floor,

Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East),

Mumbai 400 051, Maharashtra, India

Telephone: +91-22-6704 8000;

Fax: +91-22-6704 8029;

Email: compliance@systematixgroup.in

Contact Person: Mr. Rajkumar Gupta

Website : www.systematixgroup.in

SEBI Registration Number: INZ000171134

Validity Period: Permanent

11. INFORMATION REGARDING STOCK MARKET DATA

11.1. The Equity Shares are in-frequently traded on the MSEI in terms of the Takeover Regulations.

11.2. The high, low and average price of the Equity Shares (in Rupees per share) for the 3 financial years and 6 months immediately preceding the date of this DLOF and the corresponding volume on the Stock Exchange is as follows:

Date	High\$	Date of High	Number of Equity Shares traded on that date	Low\$	Date of Low	Number of Equity Shares traded on that date	Average Price*	Total Volume of Equity Shares traded in the period (No. of Equity Shares)	
Preceding 3 years									
April 1, 2019 to March 31, 2020		No Trading							
April 1, 2018 to March 31, 2019		No Trading							
April 1, 2017 to March 31, 2018		55.00	Note 1	Note 1	55.00	Note 2	Note 2	55.00	2,97,792
Preceding six months									
January 01, 2021 to January 31, 2021		No Trading							
December 01, 2020 to December 31, 2020		No Trading							
November 1, 2020 to November 30, 2020		No Trading							
October 1, 2020 to October 31, 2020		No Trading							
September 1, 2020 to September 30, 2020		No Trading							
August 1, 2020 to August 31, 2020		No Trading							

Source: www.msei.in

\$ High and Low price for the period are based on intraday prices and Average Price is based on average of closing prices

Note 1:

Date of High	Open	High	Low	Close	Volume
15-05-2017	55.00	55.00	55.00	55.00	1,66,710.00
22-02-2017	55.00	55.00	55.00	55.00	59,842.00
20-02-2017	55.00	55.00	55.00	55.00	71,240.00

Note 2

Date of Low	Open	High	Low	Close	Volume
15-05-2017	55.00	55.00	55.00	55.00	1,66,710.00
22-02-2017	55.00	55.00	55.00	55.00	59,842.00
20-02-2017	55.00	55.00	55.00	55.00	71,240.00

12. DETERMINATION OF THE FLOOR PRICE

12.1. The Promoter Acquirers propose to acquire the Equity Shares from the Public Shareholders pursuant to a reverse book-building process established in terms of Schedule II of the Delisting Regulation.

12.2. The Equity Shares of the Company are currently listed and traded at MSEI only. The Symbol of the Company is "NAGA".

12.3. The annualized trading turnover based on the trading volume of the Equity Shares at MSEI during the period from December 01, 2019 to November 30, 2020 (twelve calendar months preceding the calendar month of the Relevant Date (*defined below*)) is as under:

Stock Exchange	Total Traded Volume from December 01, 2019 to November 30, 2020	Total number of outstanding listed Equity Shares as at November 30, 2020	Annualized trading turnover (%)
MSEI	NIL	1,42,48,000	NIL

Source: www.msei.in

- 12.4. The Equity Shares of the Company are infrequently traded on MSEI as per the definition of ‘frequently traded shares’ set out in Regulation 2(1)(j) of the Takeover Regulations.
- 12.5. Regulation 15(2) of the Delisting Regulations provides that the floor price shall be determined in terms of Regulation 8 of the Takeover Regulations. As per the Explanation to Regulation 15(2) of the Delisting Regulations, the reference date for computing the floor price would be the date on which the recognized stock exchange was notified of the board meeting in which the delisting proposal would be considered, i.e., December 04, 2020 (“**Relevant Date**”).
- 12.6. Based on the above, the Equity Shares of the Company are infrequently traded in accordance with the Takeover Regulations. Hence in terms of Regulation 8 of the Takeover Regulations, the floor price shall be the higher of the following:

Sr. No.	Particulars	Rs. per Share
i.	The highest negotiated price per Equity Share of the Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
ii.	The volume weighted average price paid or payable for acquisitions, whether by the Promoter or by any person acting in concert with him, during the fifty-two weeks immediately preceding the Relevant Date	Not Applicable
iii.	The highest price paid or payable for any acquisition, whether by the Promoter or by any person acting in concert with him, during the twenty six weeks immediately preceding the Relevant Date	Not Applicable
iv.	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the Relevant Date, as traded on the stock exchange where the maximum volume of trading in the Equity Shares of the Company are recorded during such period	Not Applicable
v.	The per Equity Share value computed under Regulation 8(5) of the Takeover Regulations, if applicable	82.22

- 12.7. The Company on December 24, 2020, received a certificate dated December 09, 2020 from Payal Gada & Co, Chartered Accountants certifying the Floor Price for the Delisting Offer to be Rs. 82.22 computed in accordance with the Delisting Regulations. The Floor Price was notified to the Stock Exchange as part of the outcome of the Board meeting dated December 24, 2020.

13. DETERMINATION OF THE DISCOVERED / EXIT PRICE

- 13.1. The Promoter Acquirers proposes to acquire the Offer Shares pursuant to a book-building process through acquisition window facility, i.e. separate acquisition window in form of web based bidding platform provided by the BSE, in accordance with the stock exchange mechanism (the “**Acquisition Window Facility**” or “**Offer to Buy (OTB)**”), conducted in accordance with the terms of the Delisting Regulations.
- 13.2. All Public Shareholders can tender their Offer Shares during the Bid Period.
- 13.3. The minimum price per Offer Share payable by the Promoter Acquirers shall be determined in accordance with the Delisting Regulations, will be the price at which the shareholding of the Promoter Group reaches 90% pursuant to acquisition under RBBP through “Acquisition Window Facility” or “Offer to Buy (OTB)” conducted in the manner specified in **Schedule II** of the Delisting Regulations (“**Discovered Price**”) which shall not be lower than the Floor Price.
- 13.4. The Promoter Acquirers is under no obligation to accept the Discovered Price. The Promoter Acquirers may at their discretion, acquire the Equity Shares at the Discovered Price; or offer a price higher than the Discovered Price, (at their absolute discretion); or make a counter offer at the Counter Offer Price in accordance with the Delisting Regulations. The “Exit Price” shall be: (i) the Discovered Price, if accepted by the Promoter Acquirers;

or (ii) a price higher than the Discovered Price, if offered by the Promoter Acquirers at their absolute discretion; or (iii) the Counter Offer Price offered by the Promoter Acquirers at their discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Promoter Acquirers and other members of the promoter group reaching 90% of the equity share capital of the Company.

- 13.5. The Promoter Acquirers shall announce the Discovered Price and their decision to accept or reject the Discovered Price or make a counter offer. If accepted, the Promoter Acquirers shall also announce the Exit Price, as applicable, in the same newspapers in which the Public Announcement appears in accordance with the schedule of activities.
- 13.6. Once the Promoter Acquirers announces the Exit Price, the Promoter Acquirers will acquire, subject to the terms and conditions of the Public Announcement and the Letter of Offer including but not limited to fulfilment of the conditions mentioned in paragraph 14 below, all the Equity Shares validly tendered up to and equal to the Exit Price for a cash consideration equal to the Exit Price for each Equity Share tendered. The Promoter Acquirers will not accept Equity Shares tendered at a price that exceeds the Exit Price.
- 13.7. If the Promoter Acquirers does not accept the Discovered Price then subject to circulars or notifications issued by SEBI with respect to the process provided under Regulation 16(1A) of the Delisting Regulations, the Promoter Acquirers may, at their sole discretion, make a counter offer to the Public Shareholders within 2 working days of the determination of the Discovered Price, in the manner specified by the SEBI.
- 13.8. If the Promoter Acquirers does not accept the Discovered Price and does not make counter offer to the Public Shareholders in terms of Regulation 16(1A) of the Delisting Regulations, or the Delisting Offer fails in terms of Regulation 17 of the Delisting Regulations:
- i. the Promoter Acquirers will have no right or obligation to acquire any Equity Shares tendered pursuant to the Delisting Offer;
 - ii. the Equity Shares tendered by a Public Shareholder shall be returned or the lien on the Equity Shares will be released to such Public Shareholder within 10 (ten) working days from the Bid Closing Date in terms of the schedule of activities set out herein;
 - iii. no final application shall be made to the Stock Exchange for delisting of the Equity Shares;
 - iv. The Escrow Account opened in accordance with Regulation 11 of the Delisting Regulations shall be closed and the Escrow Amount shall be released.

14. MINIMUM ACCEPTANCE AND SUCCESS CONDITIONS TO THE DELSITING OFFER

The acquisition of Equity Shares by the Promoter Acquirers and the delisting of the Company pursuant to the Offer are conditional upon:

- 14.1. The Promoter Acquirers, in their sole and absolute discretion, either accepting the Discovered Price or offer a price higher than the Discovered Price or offering a Counter Offer Price which, pursuant to acceptance and/or rejection by Public Shareholders, results in the shareholding of Promoter Acquirers along with the other members of the Promoter Group of the Company reaching 90% of the paid-up equity share capital of the Company. It may be noted that notwithstanding anything contained in the Public Announcement and this Letter of Offer, the Promoter Acquirers reserve the right to accept or reject the Discovered Price if it is higher than the Floor Price;
- 14.2. A minimum number of 21,80,865 Offer Shares being tendered at or below the Exit Price, or such other higher number of shares prior to the closure of bidding period i.e. on the Bid Closing Date so as to cause the cumulative number of the Equity Shares held by the Promoter as on date of this Letter of Offer taken together with the Equity Shares acquired by the Promoter Acquirers under the Delisting Offer to be equal to or in excess of 1,28,23,200 Equity Shares or such higher number of the Equity Shares constituting 90% of the equity share capital of the Company ("**Minimum Acceptance Condition**");
- 14.3. A minimum number of 35,58,225 Equity Shares held Public Shareholders are in dematerialized form aggregating to 98.69% of the total number of Public shareholding as on February 05, 2021 to participate in the reverse book building process. A minimum of 60.48% of Public Shares held by Public Shareholders have to

participate in order to make the Delisting Offer successful and hence provisions under Regulation 17(b) of the Delisting Regulations is not applicable.

14.4. The Promoter Acquirers obtaining all requisite regulatory approvals in accordance with paragraph 22 of this Letter of Offer and meeting the conditions set out in Regulation 17 of the Delisting Regulations; and

14.5. There being no amendments to the Delisting Regulations or any applicable laws or regulations or conditions imposed by any regulatory or statutory authority/body or order from a court or competent authority which would in sole opinion of the Promoter Acquirers, prejudice the Promoter Acquirers in proceeding with the Delisting Offer. Provided that withdrawal on this count shall be subject to receipt of regulatory approval, if any required for the same.

15. ACQUISITION WINDOW FACILITY OR OFFER TO BUY (OTB)

15.1. Pursuant to the Delisting Regulations, the Promoter Acquirers are required to facilitate tendering of the Equity Shares by the Public Shareholders of the Company and the settlement of the same, through the stock exchange mechanism provided by SEBI. SEBI *vide* its circular dated April 13, 2015 on ‘*Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting*’ (the “**SEBI Circular**”) sets out the procedure for tendering and settlement of Equity Shares through BSE (the “**Stock Exchange Mechanism**”).

15.2. Further, it provides that the Stock Exchange shall take necessary steps and put in place the necessary infrastructure and systems for implementation of the stock-exchange mechanism and to ensure compliance with requirements of the SEBI Circular. Pursuant to the SEBI Circular, the BSE has issued guidelines detailing the mechanism for acquisition of shares through BSE.

15.3. As per the SEBI Circular and discussion with MSEI, the Promoter Acquirers have chosen Acquisition Window Facility provided by the BSE where Equity Shares of the Company are not listed but having RBB software for delisting offers.

15.4. The Promoter Acquirers have appointed the following as their broker for the Delisting Offer through whom the purchase and settlement of the Offer Shares tendered in the Delisting Offer will be made:



Systematix Shares and Stocks (India) Limited

The Capital, A-Wing, No. 603-606, 6th Floor,
Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051, Maharashtra, India

Telephone: +91-22-6704 8000;

Fax: +91-22-6704 8029;

Email: compliance@systematixgroup.in

Contact Person: Mr. Rajkumar Gupta

Website: www.systematixgroup.in

15.5. The cumulative quantity tendered shall be displayed on website of the BSE at specific intervals during Bid Period.

16. DATES OF OPENING AND CLOSING OF BID PERIOD

16.1. All the Public Shareholders holding the Equity Shares are eligible to participate in the reverse book-building process, by tendering whole or part of the Equity Shares held by them through the Acquisition Window Facility at or above the Floor Price. The period during which the Public Shareholders may tender their Equity Shares, pursuant to Stock Exchange Mechanism, shall commence on the Bid Opening Date i.e. Friday, March 05, 2021 and close on the Bid Closing Date i.e. Friday, March 12, 2021 during normal trading hours of the secondary market. During the Bid Period, Bids will be placed in the Acquisition Window Facility by the Public

Shareholders through their respective stock brokers registered with the BSE during normal trading hours of secondary market on or before the Bid Closing Date. Any change in the Bid Period will be notified by way of an addendum/corrigendum in the newspapers in which the Public Announcement has appeared.

16.2. The Public Shareholders should note that the Bids are required to be uploaded in the Acquisition Window Facility on or before the Bid Closing Date for being eligible for participation in the Delisting Offer. Bids not uploaded in the Acquisition Window Facility will not be considered for delisting purposes and will be rejected.

16.3. The Public Shareholders should submit their Bids through stock brokers registered with the BSE. Thus, Public Shareholders should not send bids to Promoter Acquirers/ Manager to the Offer / Registrar to the Offer.

16.4. Bids received after close of trading hours on the Bid Closing Date will not be considered for the purpose of determining the Discovered Price payable for the Equity Shares by the Promoter Acquirers pursuant to the book building process.

17. PROCEDURE FOR TENDERING AND SETTLEMENT OF SHARES THROUGH BSE

17.1. This Letter of Offer is being dispatched to the Public Shareholders, whose names appear on the register of members of the Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories at the close of business hours on the Specified Date i.e. February 23, 2021. In the event of accidental omission to dispatch the Letter of Offer or non-receipt of the Letter of Offer by any Public Shareholder or any Public Shareholder who has bought the Equity Shares after Specified Date, they may obtain a copy of Letter of Offer by writing to the Registrar to the Offer at their address given in paragraph 9, clearly marking the envelope “**Naga Limited – Delisting Offer**”.

17.2. Alternatively, the Public Shareholders may obtain copies of Letter of Offer from the website of the MSEI (www.msei.com) and the website of the Company (www.nagamills.com).

17.3. For further details, please refer to the schedule of activities on page 2 of this Letter of Offer.

17.4. The Delisting Offer is open to all the Public Shareholders holding the Equity Shares either in physical and / or in demat form.

17.5. During the Bid Period, the Bids will be placed in the Acquisition Window Facility by the Public Shareholders through their respective Seller Members during normal trading hours of the secondary market.

17.6. Procedure to be followed by the Public Shareholders holding the Equity Shares in dematerialized form:

- i. The Public Shareholders who desire to tender their Equity Shares in the electronic form under the Delisting Offer would have to do so through their respective Seller Member by indicating to their Seller Member the details of the Equity Shares they intend to tender under the Delisting Offer (“Tendered Shares”).
- ii. The Seller Member shall then transfer the Tendered Shares by using the settlement number and the procedure prescribed by the Clearing Corporation to a special escrow account created by the Clearing Corporation before placing the Bids and the same shall be validated at the time of order entry.
- iii. The details of settlement number shall be informed in the issue opening circular / notice that will be issued by the BSE or the Clearing Corporation before the Bid Opening Date.
- iv. For Custodian Participant’s orders for the demat Equity Shares early pay-in is mandatory prior to confirmation of order by the Custodian Participant. The Custodian Participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Bid Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, if there is any order modification, then it shall revoke the previous Custodian Participant’s confirmation and the revised order shall be sent to the Custodian Participant again for its confirmation.
- v. Upon placing the Bid, a Seller Member shall provide a TRS generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, No. of the Equity Shares tendered and price at which the Bid was placed, etc.

- vi. Please note that submission of Bid Form and TRS is not mandatorily required in case of equity shares held in dematerialized form.
- vii. The Clearing Corporation will hold in trust the Equity Shares until the Promoter Acquirers completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.
- viii. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection. Further, Public Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Tendered Shares.
- ix. In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding equity shares in dematerialized form can make an application in writing on plain paper, signed by the respective Public Shareholder, stating name and address, client ID number, DP name / ID, beneficiary account number and number of equity shares tendered for the delisting offer. Public Shareholders will be required to approach their respective Seller Member and have to ensure that their bid is entered by their Seller Member in the electronic platform to be made available by the Stock Exchange, before the Bid Closing Date.
- x. The Public Shareholders should not send bids to the Company or Acquirer or Manager to the Offer or Registrar to the Offer.

17.7. Procedure to be followed by the Public Shareholders holding the Equity Shares in the Physical form pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020:

- i. The Public Shareholders who are holding physical Equity Shares and intend to participate in the Delisting Offer will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including as below:
 - 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 Company / registrar and transfer agent of the Company) and duly witnessed at the appropriate place authorizing the transfer.
 - c) Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate / Notary Public / Bank Manager under their official seal;
 - d) self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);
 - e) Bid Form duly signed (by all holders in case the Equity Shares are in joint names) in the same order in which they hold the Equity Shares;
 - f) Declaration by joint holders consenting to tender Offer Shares in the Delisting Offer, if applicable;
 - g) 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; and
 - h) In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of members of the Company. The Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- ii. Upon placing the Bid, the Seller Member will provide a TRS generated by the Exchange Bidding System to the Public Shareholder. The TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of the Equity Shares tendered, price at which the Bid was placed, etc.
- iii. The Seller Member / Public Shareholder should ensure to deliver the documents as mentioned in paragraph 17.7 (i) above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned at paragraph 9) within 2 days of Bid Closing Date by the Seller Member. The envelope should be superscribed as “**Naga Limited – Delisting Offer**”.
- iv. Public Shareholders holding the Equity Shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares by the Promoter Acquirers will be subject to verification of documents. The Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchange shall display such bids as ‘unconfirmed physical bids’. Once, the Registrar to the Offer confirms the Bids, it will be treated as ‘Confirmed Bids’. The Bids of the Public Shareholders whose original share certificate(s) and other documents (as mentioned in paragraph 17.7(i) above) along with the TRS are not received by the Registrar to the Offer, within two days after the Bid Closing Date, shall be liable to be rejected.

- v. In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding equity shares in physical form can make an application in writing on plain paper, signed by the respective Public Shareholder, stating name and address, folio number, share certificate number, number of equity shares tendered for the delisting offer and the distinctive numbers thereof, enclosing the original share certificate(s) and other documents (as mentioned in paragraph 17.7(i) above). Public Shareholders will be required to approach their respective Seller Member and have to ensure that their bid is entered by their Seller Member in the electronic platform to be made available by the BSE, before the Bid Closing Date.
 - vi. The Registrar to the Offer will hold in trust the share certificate(s) and other documents (as mentioned in paragraph 17.7(i) above) until the Promoter Acquirers complete its obligations under the Delisting Offer in accordance with the Delisting Regulations.
 - vii. It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory and regulatory approvals) prior to tendering their Equity Shares in the Acquisition Window Facility. The Promoter Acquirers shall assume that the eligible Public Shareholders have submitted their Bids only after obtaining applicable approvals, if any. The Promoter Acquirers reserve the right to reject Bids received for physical shares which are without a copy of the required approvals.
 - viii. The Equity Shares shall be liable for rejection on the following grounds amongst others:
 - (a) there is a name mismatch in the Folio of the Public Shareholder; (b) there exists any restraint order of a court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists; (c) The documents mentioned in the Bid Form for Public Shareholders holding Equity Shares in physical form are not received by the Registrar within 2 days of Bid Closing Date; (d) If the share certificates of any other company are enclosed with the Tender Form instead of the share certificates of the Company; (e) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the shareholder who has placed the bid; (f) If the Public Shareholders place a bid but the Registrar does not receive the physical Equity Share certificate; or (g) In the event the signature in the Bid Form and share transfer form do not match the specimen signature recorded with the Company or the Registrar.
- 17.8. The Public Shareholders, who have tendered their Equity Shares by submitting the Bids pursuant to the terms of the Public Announcement and the Letter of Offer, may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date. Downward revision of the Bids shall not be permitted. Any such request for revision or withdrawal of the Bids should be made by the Public Shareholder through their respective Seller Member, through whom the original Bid was placed. Any such request for revision or withdrawal of the Bids received after normal trading hours of secondary market on one day before the Bid Closing Date will not be accepted.
- 17.9. The Public Shareholders should note that the Bids should not be tendered to the Manager to the Offer or the Registrar to the Offer or to the Promoter Acquirers or to the Company or the Stock Exchange. The Public Shareholders should further note that they should have a trading account with a Seller Member as the Bids can be entered only through their respective Seller Member. The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer.
- 17.10. The cumulative quantity of the Equity Shares tendered shall be made available on the website of the Stock Exchange throughout the trading session and will be updated at specific intervals during the Bid Period.
- 17.11. The Equity Shares to be acquired under the Delisting Offer are to be acquired free from all liens, charges, and encumbrances and together with all rights attached thereto. The Equity Shares that are subject to any lien, charge or encumbrances are liable to be rejected.
- 17.12. In terms of Regulation 16(1A) of the Delisting Regulations, the Promoter Acquirers and the Promoter are entitled (but not obligated) to make a counter offer at the Counter Offer Price, at their sole and absolute discretion. The counter offer is required to be announced by issuing a public announcement of counter offer (“Counter Offer PA”) within 2 working days of the Bid Closing Date. The Counter Offer PA will contain inter

alia details of the Counter Offer Price and the revised schedule of activities. In this regard, Public Shareholders are requested to note that, if a counter offer is made:

(i) All Offer Shares tendered by Public Shareholders during the Bid Period and not withdrawn as per paragraph 17.12(ii) below, along with Offer Shares which are additionally tendered by them during the counter offer, will be considered as having been tendered in the counter offer at the Counter Offer Price.

(ii) Public Shareholders who have tendered Offer Shares during the Bid Period and thereafter wish to withdraw from participating in the counter offer (in part or full) have the right to do so after issuance of the Counter Offer PA in accordance with the Delisting Regulations. Any such request for withdrawal should be made by the Public Shareholder through their respective Seller Member through whom the original Bid was placed. Any such request for withdrawal received after normal trading hours of the secondary market on the last day of the timelines prescribed in the Delisting Regulations will not be accepted.

(iii) Offer Shares which have not been tendered by Public Shareholder during the Bid Period can be tendered in the counter offer in accordance with the procedure for tendering that will be set out in the Counter Offer PA.

18. METHODS OF SETTLEMENT

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

- i. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- ii. For consideration towards the Equity Shares accepted under the Delisting Offer, the money of the Escrow Account shall be used to pay the consideration to the Buyer Broker on or before the pay-in date for settlement. The Buyer Broker will transfer the funds to the Clearing Corporation, which will be released to the respective Seller Member(s) / Custodian Participants as per the secondary market payout in their settlement bank account. The Seller Member(s) / Custodian Participants would pay the consideration to their respective clients.
- iii. In case of certain client types viz. non-resident Indians, non-resident clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out will be given to their respective Seller Member's settlement accounts for releasing the same to their respective Public Shareholder's account onward. For this purpose, the client type details will be collected from the depositories, whereas funds pay-out pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.
- iv. The Equity Shares acquired in the demat form would either be transferred directly to the Promoter Acquirers' account provided it is indicated by the Buyer Broker or it will be transferred by the Buyer Broker to the Promoter Acquirers' account on receipt of the Equity Shares pursuant to the clearing and settlement mechanism of the BSE. In case of the Equity Shares acquired in the physical form, the same will be transferred directly to the Promoter Acquirers by the Registrar to the Offer.
- vi. In case of rejected demat Equity Shares, if any, tendered by the Public Shareholders, the same would be returned to the respective Seller Member by the Clearing Corporation in payout. The Seller Member / Custodian Participants would return these rejected Equity Shares to their respective clients on whose behalf the Bids have been placed. In case of rejection of physical Equity Shares, the same will be returned back to the respective Public Shareholders directly by the Registrar to the Offer.
- vii. The Seller Member would issue contract note & pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer. The Buyer Broker would also issue a contract note to the Promoter Acquirers for the Equity Shares accepted under the Delisting Offer.
- viii. The Public Shareholders who intend to participate in the Delisting Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Public Shareholders for tendering Equity Shares in the Delisting Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges duties and expenses (including brokerage) and the Promoter Acquirers, the Company, the Manager to the Offer, the Registrar to the Offer and the Buyer Broker accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred by the Public Shareholders.

19. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID

The Public Shareholders may submit their Bids to the broker member during the Bid Period. Additionally, once the Equity Shares have been delisted from the Stock Exchange, the Public Shareholders whose Offer Shares have not been acquired by the Promoter Acquirers (the “**Residual Shareholders**”) may offer their Offer Shares for sale to the Promoter Acquirers or the Promoter at the Exit Price for a period of one year following the date of the delisting of the Equity Shares from the Stock Exchange (“**Exit Window**”). A separate offer letter in this regard will be sent to these Residual Public Shareholders. Such Residual Shareholders may tender their Offer Shares by submitting the required documents to the Registrar to the Offer during the Exit Window.

20. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- 20.1. The estimated consideration payable under the Delisting Regulations, being the Floor Price of Rs. 82.22 per Equity Share multiplied by the number of Offer Shares, i.e., 36,05,665 Offer Shares, is Rs. 29,64,57,776 (Rupees Twenty Nine Crore Sixty Four Lakh Fifty Seven Thousand Seven Hundred and Seventy Six only) (“**Escrow Amount**”).
- 20.2. In accordance with the Delisting Regulations, the Promoter Acquirers, Axis Bank Limited (“**Escrow Bank**”) and the Manager to the Offer have entered into an escrow agreement dated January 12, 2021, subsequent to which the Promoter Acquirers have opened an escrow account in the name of “**Naga Limited - Delisting Escrow Account**” with the Escrow Bank at their branch at Main Branch, Dindigul-624 005, Tamil Nadu (“**Escrow Account**”).
- 20.3. The Promoter Acquirers have deposited the Escrow Amount i.e. **Rs. 30,03,00,000 (Rupees Thirty Crore Three Lakh only)** including Rs. 29,03,00,000 (Rupees Twenty Nine Crore Three Lakh only) by way of Cash and given Bank Guarantee of Rs. 1,00,00,000 (Rupee One Crore only) expiring on April 30, 2022 for the Delisting Offer, as security for performance of their obligations under the Delisting Regulations. The amount deposited in ESCROW account is more than 100% of the Escrow Amount.
- 20.4. On determination of the Discovered Price and making of the public announcement under Regulation 18 of the Delisting Regulations, the Promoter shall ensure compliance with Regulation 11(2) of the Delisting Regulations.
- 20.5. In the event that the Promoter Acquirers accept the Discovered Price (or offers an Exit Price) and the Delisting Offer is successful (with all conditions thereto being satisfied), the Promoter Acquirers shall increase the amount lying to the credit of the Escrow Account to the extent necessary to pay Public Shareholders at the Exit Price. In such a case, the Promoter Acquirers shall also ensure that the lien marked remains valid on the additional amount until the expiry of the Exit Window.
- 20.6. Further, in such a case, the Promoter Acquirers shall along with the Manager to the Offer, instruct the Escrow Bank to open a special account (“**Special Account**”), which shall be used for payment to the Public Shareholders who have validly tendered Offer Shares in the Delisting Offer. It shall then deposit in the Escrow Account an amount equal to the amount payable to the Public Shareholders whose shares have been tendered and accepted in the Delisting Offer at the Exit Price. The Manager to the Offer shall instruct the Escrow Bank to transfer the necessary amount to the Special Account.

21. PROPOSED TIMETABLE FOR THE OFFER

Activity	Day and Date
Resolution for approval of the Delisting Proposal passed by the board of directors the Company	Thursday, December 24, 2020
Date of receipt of the MSEI in-principle approval	Tuesday, February 23, 2021
Specified Date for determining the names of the Public Shareholders to whom the Letter of Offer is sent*	Tuesday, February 23, 2021
Date of publication of Public Announcement	Wednesday, February 24, 2021
Last date of dispatch of the Letter of Offer to the Public Shareholders as on Specified Date**	Friday, February 26, 2021

Bid Opening Date (bid starts at market hours on BSE)	Friday, March 05, 2021
Last Date for revision (upwards) or withdrawal of Bids on BSE	Wednesday, March 10, 2021
Bid Closing Date (bid closes at market hours on BSE)	Friday, March 12, 2021
Last date for announcement of counter offer	Tuesday, March 16, 2021
Last date for announcement of the Discovered Price or the Exit Price and Acceptance or Non-acceptance of the Discovered Price or the Exit Price by the Promoter Acquirers#	Friday, March 19, 2021
Proposed date for payment of consideration##	Friday, March 26, 2021
Proposed date for return of Equity Shares to the Public Shareholders in case of Bids not being accepted / failure of the Delisting Offer	Friday, March 26, 2021

* The Specified Date is only for the purpose of determining the name of the Public Shareholders as on such date to whom the Letter of Offer will be sent. However, all owners (registered or unregistered) of the Equity Shares of the Company are eligible to participate in the Delisting Offer any time on or before the Bid Closing Date

** Such activity may be completed on or before the last date.

#This is an indicative date and the announcement may be made on or before the fifth working day from the Bid Closing Date.

##Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the discovered price by the Promoter Acquirers

All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. In the event there is any change in the proposed schedule, it will be announced to the Public Shareholders by way of corrigendum in all the newspapers in which the Public Announcement has appeared.

22. STATUTORY APPROVALS

- 22.1. The Public Shareholders of the Company have accorded their consent by way of special resolution passed on February 02, 2021, in respect of delisting of Equity Shares from the MSEI, in accordance with the Delisting Regulations.
- 22.2. The MSEI has given their in-principle approvals for delisting of the Equity Shares vide letter dated February 23, 2021.
- 22.3. If the shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Delisting Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Promoter Acquirers reserve the right to reject such Equity Shares tendered in the Offer.
- 22.4. To the best of the Promoter Acquirers' knowledge, as of the date of the Letter of Offer, there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer, other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by the Promoter Acquirers and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
- 22.5. It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Offer Shares held by them in the Delisting Offer, and the Promoter shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable.
- 22.6. The Promoter Acquirers reserve the right not to proceed with or withdraw the Delisting Offer in the event the conditions mentioned in paragraph 14 of the LOF are not fulfilled or if the approvals indicated above are not obtained or conditions which the Promoter considers in its sole discretion to be onerous are imposed in respect of such approvals.

- 22.7. In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Promoter Acquirers may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Promoter Acquirers by issuing an appropriate corrigendum in all the newspapers where the PA was published.

23. NOTES ON TAXATION

- 23.1. Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not be subject to capital gains tax in India if STT has been paid on the transaction prior to enactment of the Finance Act 2017. The Finance Act 2017 had amended the IT Act to provide that the said exemption was available only if STT is paid both at the time of purchase and sale of such shares, subject to certain exceptions notified by the central government.
- 23.2. The Finance Act 2018 has withdrawn this exemption with effect from April 01, 2018 for any transfer of listed Equity Shares, held for more than 12 months, on a recognized stock exchange. Now Capital Gain, in excess of Rs.1.00 Lakh, is taxable at the rate of 10% subject to satisfaction of certain conditions. The cost of acquisition for investment made on or before January 31, 2020 has also been specified.
- 23.3. Capital Gain arising on shares held for a period of twelve months or less prior to their tendering in the present delisting offer will be treated as short term capital gain in the hands of the shareholder. Income Tax is payable at the rate of 15 % on this short term capital gain (refer Section 111A of Income Tax Act, 1961).
- 23.4. Capital Gain arising on shares held for more than twelve months prior to their tendering in the present delisting offer will be treated as long term capital gain in the hands of the shareholder. Income Tax is payable at the rate of 10% on this long term capital gain (refer section 112A and section 55 (2) (ac) of the Income Tax Act, 1961).
- 23.5. Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India for both categories of shareholders i.e. resident shareholder as well as non – resident shareholder.
- 23.6. Tax deduction at source:
- i. In case of resident shareholders: In absence of any specific provision under the IT Act, the Acquirer(s) shall not deduct tax on the consideration payable to resident shareholders pursuant to the Delisting Offer.
 - ii. In case of non-resident shareholders: Under the existing Indian tax laws, any sum paid to a non-resident which is chargeable to tax under the provisions of IT Act is subject to deduction of tax at source, except for capital gains realized by the foreign portfolio investors or such gains/ income which are exempt from tax. Since the acquisition of Offer Shares pursuant to the delisting process is through the stock exchange mechanism, the Acquirer will not be able to withhold any taxes, and thus, the Acquirer believe that the responsibility of withholding/ discharge of the taxes due on such gains (if any) is solely on the custodians/ authorized dealers/ non-resident shareholders – with no recourse to the Acquirer and/ or persons acting in concert with them.
 - iii. It is therefore important that the non-resident shareholders consult their custodians/ authorized dealers/ tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the Acquirer and/ or persons acting in concert with them are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer and/ or persons acting in concert with them are entitled to be indemnified.
- 23.7. Post delisting, the Equity Shares would be treated as unlisted shares and therefore, capital gain on sale of such unlisted Equity Shares (held for more than 24 months) would be taxable at 20% for residents in India and at 10% for non-resident in India. For Offer Shares held for 24 months or less, capital gain would be taxable at ordinary rate applicable for the shareholder. The provision of gains up to January 31, 2018 being grandfathered would not be applicable and therefore the cost of acquisition for Residual Public Shareholders would be price paid by Residual Public Shareholder for acquisition of Offer Shares. Please note while the resident shareholders are allowed the benefit of indexation on their original cost of acquisition, no such benefit is applicable for non-resident shareholders.

- 23.8. On purchase of Offer Shares from non-resident Residual Public Shareholders, the Promoter Acquirers would be required to deduct tax at source from the sale consideration unless the Residual Public Shareholder obtains a nil deduction certificate from the tax authorities and furnish the same to the payer prior to the remittance of the sale consideration. The amount of taxes deducted and deposited by the Promoter Acquirers can be claimed as credit by the Residual Public Shareholder against its final tax liability.
- 23.9. The present delisting offer will be carried out through domestic stock exchange. Therefore, STT will be collected by the stock exchange and deducted from the amount of consideration payable to the shareholder.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE INCOME TAX ASSESSING AUTHORITIES IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. THE PROMOTER NEITHER ACCEPTS NOR HOLDS ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS DELISTING OFFER.

The above tax rates are subject to applicable rate of surcharge, education cess and secondary and higher education cess. The tax rate and other provisions may undergo changes.

24. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors hereby certify that -

- i. There are no material deviations in utilization of the proceeds of the issues (as compared to the stated objects in such issues) of securities made by the Company during the five years immediately preceding the date of the PA;
- ii. All material information which is required to be disclosed under the provisions of the continuous listing requirements under the relevant Equity Listing Agreement entered into between the Company and the Stock Exchange have been disclosed to the MSEI, as applicable;
- iii. The Company is in compliance with the applicable provisions of securities laws;
- iv. The Promoter, group companies of the Promoter, and their related entities are in compliance with the provisions of sub-regulation (5) of Regulation 4 of Delisting Regulations, based on the Due Diligence Report; and
- v. The Delisting Offer is in the interest of the Public Shareholders.

25. COMPLIANCE OFFICER

The details of Compliance Officer of the Company are as follow:

Name: Mr. V. Marikannan
Tel. No. +91-44-25363535
Fax No. +91-44-25363535
Email: marikannanv@nagamills.com

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

26. GENERAL DISCLAIMER

Every person who desires to avail of the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Promoter Acquirers, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through the a book-building process through Acquisition Window Facility or otherwise whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

This Letter of Offer is expected to be available on the website of the Stock Exchange, (www.msei.in). Public Shareholders will also be able to download the Letter of Offer, the Bid Form and the Bid Revision / Withdrawal Form from the website of the Stock Exchange.

For and on behalf of the Promoter Acquirers

M.M.Detergents Company Private Limited	Promoter Acquirer 1	Sd/- Name: K.S. Kamalakannan Designation: Director
K.S. Kamalakannan	Promoter Acquirer 2	Sd/-
Mageswari Kannan	Promoter Acquirer 3	Sd/-
Souder Kannan	Promoter Acquirer 4	Sd/-
M. Jayalalitha	Promoter Acquirer 5	Sd/-
Lakshmi Vijayanand	Promoter Acquirer 6	Sd/-
M. Sukumar	Promoter Acquirer 7	Sd/-
Naga Marine Industries Limited	Promoter Acquirer 8	Sd/- Name: Mageswari Kannan Designation: Director

Place: Chennai

Date: February 24, 2021.

27. ENCLOSURES

1. Bid cum Acceptance Form
 - a. For Demat Shareholders
 - b. For Physical Shareholders
2. Transfer Deed (SH-4)

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BID CUM ACCEPTANCE FORM/ BID FORM

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(In respect of the Equity Shares of the Naga Limited pursuant to the Delisting Offer by the Promoter Acquirers)

Please read this document along with the Public Announcement / PA published on February 24, 2021 and the letter of offer (“Offer Letter”) dated February 24, 2021 issued by M.M.Detergents Company Private Limited (**Promoter Acquirer 1**), K. S. Kamalakannan (**Promoter Acquirer 2**), Mageswari Kannan (**Promoter Acquirer 3**), Sounder Kannan (**Promoter Acquirer 4**), M. Jayalalitha (**Promoter Acquirer 5**), Lakshmi Vijayanand (**Promoter Acquirer 6**), M. Sukumar (**Promoter Acquirer 7**), Naga Marine Industries Limited (**Promoter Acquirer 8**) (together all eight entities are referred to as “Promoter Acquirers”), since the terms and conditions of the PA and the Offer Letter are deemed to have been incorporated in and form part of this offer document.

We also request you to read “Operational Guidelines for Offer to Buy (OTB) Window” issued by the Stock Exchanges in relation to stock exchange traded mechanism introduced by SEBI pursuant to its circular dated April 12, 2015 on “Mechanism for acquisition of shares through Stock Exchange” and as amended from time to time and its circular dated December 9, 2016 on ‘Streamlining the process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buyback and Delisting of Securities’. The terms and conditions of the Public Announcement and the Letter of Offer are deemed to have been incorporated in and form part of this document.

Unless otherwise defined, capitalized terms used in this Bid cum Acceptance Form/ Bid Form have the same meaning as defined in the Public Announcement and the Letter of Offer.

Note: The Public Shareholders should note that this Bid Form should not be sent to the Manager to the Offer or the Registrar to the Offer or to the Promoter Acquirers or to the Promoter Group or to the Company or the Stock Exchange. The Public Shareholders should further note that they should have a trading account with their broker i.e., a Seller Member as the Bids can be entered in the reverse book building window of Stock Exchange, only through their respective Seller Member. The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Offer Shares are accepted under the Delisting Offer. Please note that submission of Bid Form and TRS is not mandatorily required in case of Offer Shares held in dematerialized form.

DELISTING OFFER*		
Bid Opening Date	Friday, March 05, 2021	Bids can be placed only during normal trading hours of secondary market
Last Date for Revision (Upwards) or Withdrawal	Wednesday, March 10, 2021	
Bid Closing Date	Friday, March 12, 2021	
Floor Price Per Share	Rs. 82.22 (Rupees Eighty Two and Paise Twenty-Two only) per Equity Share.	
Discovered Price	The price at which the shareholding of the Promoter Group reaches 90% of fully paid-up equity share capital and voting capital of the Company pursuant to Reverse Book-Building Process	
Exit Price	(a) the Discovered Price, if accepted by the Promoter Acquirers; (b) a price higher than the Discovered Price, if offered by the Promoter Acquirers for the Delisting Offer at its absolute discretion, or (c) a Counter Offer Price offered by the Promoter Acquirers at its discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Promoter Acquirers, and the members of the promoter group of the Company reaching 90% (ninety percent) of the paid-up equity share capital of the Company	

*The dates are subject to, among other things, the Promoter obtaining the necessary approvals, if any, prior to the Bid Opening Date

(To be filled in by the Seller Member(s))

Name of Seller Member			
Address of Seller Member			
UCC			
Application Number		Date:	

NAGA LIMITED

(In respect of the Equity Shares of the Naga Limited pursuant to the Delisting Offer by the Promoter Acquirers)

Dear Sir(s),

Re: Delisting Offer to acquire the Offer Shares by the Promoter Acquirers in accordance with the Delisting Regulations.

1. I/ We, having read and understood the terms and conditions set out below, in the Public Announcement and in the Letter of Offer, hereby tender my/ our Offer Shares in response to the Delisting Offer.
2. I/ We understand that the Seller Member to whom this Bid Form is sent, is authorized to tender the Offer Shares on my/ our behalf and the Offer Shares.
3. I/ We understand that the Offer Shares tendered under the Delisting Offer shall be held in trust by the Registrar to the Offer and the Clearing Corporation, as applicable, until the time of the dispatch of payment of consideration calculated at the Discovered Price/ Exit Price and/ or the unaccepted Offer Shares are returned.
4. I/ We hereby understand and agree that, in terms of paragraph 17.12 of the Letter of Offer, if the Promoter Acquirers decide to make a counter offer (at their sole and absolute discretion and without any obligation to do so), the Offer Shares tendered by me/ us and not withdrawn after the issuance of the Counter Offer PA, within normal trading hours of the secondary market on the last day of the timelines prescribed in the Delisting Regulations, shall be considered as having been tendered in the counter offer at the Counter Offer Price.
5. I/ We hereby undertake the responsibility for the Bid Form and the Offer Shares tendered under the Delisting Offer and I/ we hereby confirm that the Promoter Acquirers, the Company, Manager to the Offer and the Registrar to the Offer shall not be liable for any delay/ loss in transit resulting in delayed receipt or non-receipt of the Bid Form along with all requisite documents, by the Seller Member, due to inaccurate/ incomplete particulars/ instructions or any reason whatsoever.
6. I/ We understand that this Bid is in accordance with the Delisting Regulations and all other applicable laws, by way of reverse book building process and that the Promoter Acquirers are not bound to accept the Discovered Price.
7. I/ We also understand that the payment of consideration will be done by the Promoter Acquirers after due verification of Bids, documents and signatures and the Promoter Acquirers will pay the consideration as per secondary market mechanism.
8. I/ We hereby confirm that the Offer Shares tendered under the Delisting Offer are free from any lien, equitable interest, charges and encumbrances.
9. I/ We hereby declare that there are no restraints/ injunctions, or other orders of any nature which limits/ restricts my/ our rights to tender these Offer Shares and I/ we are the absolute and only owner of these Offer Shares and are legally entitled to tender the Offer Shares under the Delisting Offer.
10. I/ We hereby confirm that to participate in the Delisting offer, I/ we will be solely responsible for payment to my/ our Seller Member for any cost, charges and expenses (including brokerage) that may be levied by the Seller Member on me/ us for tendering the Offer Shares in the Delisting Offer. The consideration to be received by me/ us from my/ our respective Seller Member, in respect of accepted Offer Shares, may be net of such costs, charges and expenses (including brokerage). The Promoter Acquirers, the Company, Buyer Broker, Registrar to the Offer or Manager to the Offer have no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by me/ us.
11. I/ We authorize the Stock Exchange, the Promoter Acquirers, Manager to the Offer, Buyer Broker and the Registrar to the Offer to send the payment of consideration by NECS/ RTGS/ NEFT/ Direct Credit as per SEBI Circulars.
12. I/ We undertake to immediately return the amount received by me/ us inadvertently.
13. I/ We agree that upon due acceptance by the Promoter Acquirers of the Offer Shares tendered by me/ us under the Delisting Offer, I/ we would cease to enjoy all right, title, claim and interest whatsoever, in respect of the Offer Shares.
14. I/ We authorize the Promoter Acquirers to duly accept the Offer Shares so offered, which they may decide to accept in consultation with the Manager to the Offer and Registrar to the Offer and in terms of the Letter of Offer.
15. I/ We further authorize the Buyer Broker and/ or the Registrar to the Offer to return to me/ us, the Offer Shares to the extent not accepted to my/ our depository account at my/ our sole risk.
16. I/ We hereby undertake to execute any further documents, give assurance and provide assistance, which may be required in connection of the Delisting Offer and agree to abide by the decisions taken in accordance with the applicable laws, rules and regulations.
17. I/ We acknowledge and confirm that all the particulars / statements given herein are true and correct.

Holder's details (Please use BLOCK CAPITALS)			
Complete this box with the full name, signature and address of the holder of the Offer Shares. In case of joint holdings, full name of all the joint holders must appear in the same order as appearing in the share certificate(s)/ demat account	Holder	Name	PAN No.
	Sole / First		
	Second		
	Third		
Contact Details:	Tel No:		
	Mobile No:		
	Email:		
Full Address of the First Holder (with pin code)			
Type of investor (Please tick (✓) the box to the right of the appropriate category)	Individual(s)		NRI - Repatriable

	HUF		NRI - Non Repatriable	
	Domestic Company / Bodies Corporate		FII	
	Mutual Fund		Insurance Company	
	Banks & Financial Institutions		Others (Please specify)	
Date and place of incorporation of the holder (if applicable)				

Details of Offer Shares held in physical form (applicable if Offer Shares are held in PHYSICAL FORM)
Details of original share certificate(s) along with duly filled, signed transfer deed(s), as enclosed

Sr. No.	Folio No.	Share Certificate(s) No.	Distinctive Nos.		Number of Equity Shares
			From	To	
(If the space provided is inadequate please attach a separate continuation sheet)				TOTAL	

Bank account details (applicable to the Public Shareholders holding Offer Shares in PHYSICAL FORM)

Please fill the following details of the sole shareholder's bank account (or in the case of joint holders, the first-named holder's bank account) and any consideration payable will be paid by electronic transfer carrying the details of the bank account as per the banking account details and as provided in this Bid Form

Name of the Sole/ First Holder's Bank	
Branch Address	
City and PIN Code of the Branch	
Bank Account No.	
Savings/Current/Others (Please Specify)	
MICR Code (in case you wish to receive funds electronically)	
IFSC Code (in case you wish to receive funds electronically)	

Note: The fund transfer in electronic mode would be done at your risk based on the data provided as above by you

Depository participant's details (applicable to Public Shareholders holding Offer Shares in DEMATERIALIZED FORM)

I/ we confirm that I/ we hold my/ our Offer Shares in dematerialised form. The details of my/ our depository account and my/ our depository participant are as follows:

DP Name	
DP ID No.:	
Client ID No.	
No. of Offer Shares	

Other enclosures, if any applicable

Please tick (✓) the box to the right of the appropriate category	Power of attorney		Corporate authorization	
	Death certificate		Others (please specify)	

Details of Bid and Offer Shares tendered in pursuant to the Delisting Offer

You should insert the number of Offer Shares you wish to tender and the price per Offer Share at which you are tendering the same (your "Bid Price") in the space provided below. If your Bid Price is less than the Floor Price which Rs. 82.22 per Offer Share, you will be deemed to have tendered your Offer Shares at Rs. 82.22 per Offer Share. If the number of Offer Shares inserted is inconsistent with the number of Offer Shares



tendered through your broker i.e., Seller Member, the number of Offer Shares tendered through Seller Member will be the number of Offer Shares tendered by you.

I/ We hereby tender to the Promoter Acquirers the number of Offer Shares at the Bid Price as specified below, at the Bid Price specified below:

	Figures in Numbers	Figures in Words	
No. of Offer Shares			
Bid Price Per Offer Share (in INR)			
Signature			
	Sole/ First Holder	Second Holder	Third Holder

Note: In case of joint holdings, all holders must sign. In case of bodies corporate the Bid Form is to be signed by the authorized signatory under the stamp of the company and necessary board resolution authorizing the submission of this Bid Form should be attached.

For any queries, please contact

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 SYSTEMATIX GROUP Investments Re-defined SYSTEMATIX CORPORATE SERVICES LIMITED The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India. Tel. No. +91-22-6704 8000; Fax No. +91-22-6704 8022; Email: ecm@systematixgroup.in SEBI Registration No.: INM000004224 Contact Person: Mr. Amit Kumar	 CAMEO CAMEO CORPORATE SERVICES LIMITED Subramanian Building, No 1, Club House Road, Chennai 600 002, India. Telephone: +91-22-6704 8000 Fax: +91-44 - 2846 0129 Email: cameo@cameoindia.com SEBI Registration No.: INR000003753 Contact Person: Mr. R.D. Ramasamy

CHECKLIST (Please tick (√))

DEMAT SHAREHOLDERS			PHYSICAL SHAREHOLDERS		
1	BID FORM		1	BID FORM	
2	OTHER DOCUMENTS, AS APPLICABLE		2	ORIGINAL SHARE CERTIFICATE OF THE COMPANY	
			3	VALID SHARE TRANSFER DEED	
			4	SELF ATTESTED COPY OF PAN CARD	
			5	OTHER DOCUMENTS, AS APPLICABLE	

Notes:

- All documents / remittances sent by / to the Public Shareholders will be at their risk and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- Please read these notes along with the entire contents of the Public Announcement and Letter of Offer.
- In the case of Public Shareholder(s) other than individuals, any documents, such as a copy of a power of attorney, board resolution, authorization, etc., as applicable and required in respect of support / verification of this Bid Form shall also be provided, otherwise, the Bid shall be liable for rejection.
- Please refer to the Letter of Offer for details of the documents.
- The number of Offer Shares tendered under the Delisting Offer should match with the number of Offer Shares held under the respective client ID number. In case of mismatch, the acceptance or partial acceptance of the Bid will be at the sole discretion of the Registrar to the Offer/ Manager to the Offer.
- In case, the Bid Price is less than the Floor Price of Rs. 82.22/- per Offer Share, it will be deemed that the Offer Shares have been tendered at the Floor Price of Rs. 82.22/-.
- The consideration shall be paid to the Public Shareholder(s) by their respective Seller Member in the name of sole/ first holder only.
- Public Shareholders, holding Offer Shares in physical form, post bidding, should send the Bid Form along with share transfer deed, share certificates, TRS and other documents, as applicable, to the Registrar to Offer. It is the sole responsibility of Public Shareholders/ Seller**

Member(s) to ensure that their Offer Shares held in physical form reaches the Registrar to the Offer on or before the close of business hours of Tuesday, March 16, 2021.

9. It is the sole responsibility of the Public Shareholders/ Seller Member(s) to ensure that their Offer Shares shall be transferred by using the settlement number and the procedure prescribed by the Clearing Corporation on or before the Bid Closing Date.

10. In case, the Bid Form sent to the Registrar to the Offer is not complete in all respects, the same may be liable for rejection

11. The Bid Forms received / tendered before the commencement of the Bidding Period shall remain valid.

12. In case, the sole/ any joint holder has died, please enclose the requisite documents, i.e., copies of death certificate/ will/ probate/ succession certificate and other relevant papers, as applicable.

13. **FOR OFFER SHARES HELD IN PHYSICAL FORM:** Before submitting this Bid Form to the Seller Member(s), you must execute valid share transfer deed(s) in respect of the Offer Shares intended to be tendered under the Delisting Offer and attach thereto all the relevant **original physical share certificate(s)**. The share transfer deed(s) shall be signed by the Public Shareholder (or in case of joint holdings by all the joint holders in the same order) in accordance with the specimen signature(s) recorded with the Company and shall also be duly witnessed. A copy of any signature proof may be attached to avoid any inconvenience.

14. **FOR UNREGISTERED PUBLIC SHAREHOLDERS:** Unregistered Public Shareholders should enclose, as applicable, (a) this Bid Form, duly completed and signed in accordance with the instructions contained therein, (b) original share certificate(s), (c) original broker contract note, (d) valid share transfer form(s) as received from the market, duly stamped and executed as the transferee(s) along with blank transfer form duly signed as transferor(s) and witnessed at the appropriate place. All other requirements for valid transfer will be preconditions for acceptance.

15. **FOR SUBMITTING THE BID FORM BY HAND DELIVERY:** Please submit this Bid Form together with other necessary documents referred to above by hand delivery to the Seller Member

----- TEAR ALONG THIS LINE -----

ACKNOWLEDGEMENT SLIP

Received from Mr./ Mrs./ M/s _____ a Bid Cum Acceptance Form for Offer Shares at a Bid Price of Rs. _____ per Offer Share and the details of which are given as under.

DEMAT SHAREHOLDER		PHYSICAL SHAREHOLDER	
UNIQUE CLIENT CODE (UCC)		UNIQUE CLIENT CODE (UCC)	
DP ID NO.		FOLIO NUMBER	
CLIENT ID NO.		SHARE CERTIFICATE NO	
NO. OF OFFER SHARES		NO. OF OFFER SHARES	
BID PRICE PER OFFER SHARE (IN INR)		BID PRICE PER OFFER SHARE (IN INR)	
Note: Received but not verified share certificate(s) and share transfer deeds			

ACKNOWLEDGEMENT

UNIQUE CLIENT CODE (UCC)	
APPLICATION NUMBER	
DATE OF RECEIPT	
SIGNATURE OF OFFICIAL	

Signature of Official: _____

Date of receipt:

BID REVISION CUM WITHDRAWAL FORM/ BID FORM
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(In respect of the Equity Shares of the Naga Limited pursuant to the Delisting Offer by the Promoter Acquirers)

Please read this document along with the Public Announcement / PA published on Tuesday, March 16, 2021 and the letter of offer (“Offer Letter”) dated Tuesday, March 16, 2021 issued by M.M.Detergents Company Private Limited (**Promoter Acquirer 1**), K. S. Kamalakannan (**Promoter Acquirer 2**), Mageswari Kannan (**Promoter Acquirer 3**), Sounder Kannan (**Promoter Acquirer 4**), M. Jayalalitha (**Promoter Acquirer 5**), Lakshmi Vijayanand (**Promoter Acquirer 6**), M. Sukumar (**Promoter Acquirer 7**), Naga Marine Industries Limited (**Promoter Acquirer 8**) (together all eight entities are referred to as “**Promoter Acquirers**”), since the terms and conditions of the PA and the Offer Letter are deemed to have been incorporated in and form part of this offer document.

We also request you to read “Operational Guidelines for Offer to Buy (OTB) Window” issued by the Stock Exchanges in relation to stock exchange traded mechanism introduced by SEBI pursuant to its circular dated April 12, 2015 on “Mechanism for acquisition of shares through Stock Exchange” and as amended from time to time and its circular dated December 9, 2016 on ‘Streamlining the process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buyback and Delisting of Securities’. The terms and conditions of the Public Announcement and the Letter of Offer are deemed to have been incorporated in and form part of this document.

Unless otherwise defined, capitalized terms used in this Bid cum Acceptance Form/ Bid Form have the same meaning as defined in the Public Announcement and the Letter of Offer.

Note: The Public Shareholders should note that this Bid Form should not be sent to the Manager to the Offer or the Registrar to the Offer or to the Promoter Acquirers or to the Company or the Stock Exchange. The Public Shareholders should further note that they should have a trading account with their broker i.e., a Seller Member as the Bids can be entered in the reverse book building window of Stock Exchange, only through their respective Seller Member. The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Offer Shares are accepted under the Delisting Offer. Please note that submission of Bid Form and TRS is not mandatorily required in case of Offer Shares held in dematerialized form.

DELISTING OFFER*		
Bid Opening Date	Friday, March 05, 2021	Bids can be revised and withdrawn only during normal trading hours of secondary market
Last Date for Revision (Upwards) or Withdrawal	Wednesday, March 10, 2021	
Bid Closing Date	Friday, March 12, 2021	
Floor Price Per Share	Rs. 82.22 (Rupees Eighty Two and Paise Twenty-Two only) per Equity Share.	
Discovered Price	The price at which the shareholding of the Promoter Acquirers and the members of the promoter group of the Company reaches 90% of fully paid-up equity share capital and voting capital of the Company pursuant to Reverse Book-Building Process	
Exit Price	(a) the Discovered Price, if accepted by the Promoter Acquirers; (b) a price higher than the Discovered Price, if offered by the Acquirer for the Delisting Offer at its absolute discretion, or (c) a Counter Offer Price offered by the Promoter Acquirers at its discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Promoter Acquirers, and the members of the promoter group of the Company reaching 90% (ninety percent) of the paid-up equity share capital of the Company	

*The dates are subject to, among other things, the Promoter obtaining the necessary approvals, if any, prior to the Bid Opening Date

(To be filled in by the Seller Member(s))

Name of Seller Member			
Address of Seller Member			
UCC			
Application Number		Date:	

NAGA LIMITED

(In respect of the Equity Shares of the Naga Limited pursuant to the Delisting Offer by the Promoter Acquirers)

Dear Sir(s),

Re: Delisting Offer to acquire the Offer Shares by the Promoter Acquirers in accordance with the Delisting Regulations.

I/We hereby revoke any offer made in any Bid Form submitted prior to the date of this Bid Revision/ Withdrawal Form in respect of the Offer Shares. I / We hereby make a new Bid to tender the number of Offer Shares set out or deemed to be set out herein and on and subject to the terms and conditions, as applicable.

Holder's details (Please use BLOCK CAPITALS)			
Complete this box with the full name, signature and address of the holder of the Offer Shares. In case of joint holdings, full name of all the joint holders must appear in the same order as appearing in the share certificate(s)/ demat account	Holder	Name	PAN No.
	Sole / First		
	Second		
	Third		
Contact Details:	Tel No:		
	Mobile No:		
	Email:		
Full Address of the First Holder (with pin code)			
Type of investor (Please tick (√) the box to the right of the appropriate category)	Individual(s)		NRI - Repatriable
	HUF		NRI - Non Repatriable
	Domestic Company / Bodies Corporate		FII
	Mutual Fund		Insurance Company
	Banks & Financial Institutions		Others (Please specify)
Date and place of incorporation of the holder (if applicable)			

TO BE FILLED IN ONLY IF THE NUMBER OF THE EQUITY SHARES HAVE BEEN INCREASED AS COMPARED TO NUMBER OF THE EQUITY SHARES TENDERED IN THE PREVIOUS BID FOR SHAREHOLDERS HOLDING THE EQUITY SHARES IN PHYSICAL FORM

Details of original share certificate(s) along with duly filled, signed transfer deed(s), as enclosed. The Details are applicable only for additional Offer Shares tendered with a view to increase the number of Offer Shares tendered.

Sr. No.	Folio No.	Share Certificate(s) No.	Distinctive Nos.		Number of Equity Shares
			From	To	
(If the space provided is inadequate please attach a separate continuation sheet)				TOTAL	

TO BE FILLED IN ONLY IF THE NUMBER OF THE EQUITY SHARES HAVE BEEN INCREASED AS COMPARED TO NUMBER OF THE EQUITY SHARES TENDERED IN THE PREVIOUS BID (FOR SHAREHOLDERS HOLDING THE EQUITY SHARES DEMATERIALISED FORM)

Following details are applicable only for additional Offer Shares tendered with a view to increase the number of Offer Shares

DP Name	
DP ID No.:	
Client ID No.	
No. of Offer Shares	

Other enclosures, if any applicable			
Please tick (✓) the box to the right of the appropriate category	Power of attorney		Corporate authorization
	Death certificate		Others (please specify)

Details of Previous Bid and Offer Shares tendered in pursuant to the Delisting Offer			
	Figures in Numbers	Figures in Words	
No. of Offer Shares			
Bid Price Per Offer Share (in INR)			
Withdrawal of Bid			
I hereby confirm that I / We would like to withdraw the earlier Bid made by me/us as detailed above and would like to treat the bid as null and void.			
Please tick (✓) in the appropriate box	Yes		Yes
Signature			
	Sole/ First Holder	Second Holder	Third Holder
Note: In case of joint holdings, all holders must sign. In case of bodies corporate the Bid Form is to be signed by the authorized signatory under the stamp of the company and necessary board resolution authorizing the submission of this Bid Form should be attached.			



CHECKLIST (Please tick (✓))

DEMAT SHAREHOLDERS			PHYSICAL SHAREHOLDERS		
1	BID FORM		1	BID FORM	
2	OTHER DOCUMENTS, AS APPLICABLE		2	ORIGINAL SHARE CERTIFICATE OF THE COMPANY	
			3	VALID SHARE TRANSFER DEED	
			4	SELF ATTESTED COPY OF PAN CARD	
			5	OTHER DOCUMENTS, AS APPLICABLE	

Notes:

- 1. All documents sent by/to the Public Shareholders will be at their risk and the Public Shareholders are advised to adequately safeguard their interests in this regard.**
- The Public Shareholders may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date.
- 3. Downward revision of Bids shall not be permitted.**
- You must submit this Bid Revision/Withdrawal Form to the same Seller Member through whom your original Bid Form was submitted.
- Please ensure that you enclose a copy of the acknowledgement slip relating to your previous Bid.**
- Please note that all the information, terms and conditions contained in the original Bid Form shall remain valid, except which has been revised under Bid Revision/ Withdrawal Form.
- In case you wish to tender additional dematerialized Offer Shares, please ensure that you have instructed your Seller Member to transfer your additional Offer Shares. In case you wish to tender additional physical Offer Shares, please ensure that you attach the additional share certificate(s) and the transfer deed along with the Bid Revision/Withdrawal Form. Please ensure that the number of the Offer Shares tendered under the Bid Revision/Withdrawal Form is equal to the number indicated in the share certificate(s) attached and the transfer deed executed, if any.
- In case of the Public Shareholder(s) other than individuals, copy of power of attorney, board resolution, authorization etc., as applicable and required in respect of support/verification of this Bid Revision/Withdrawal Form, shall also be provided, otherwise, the same shall be liable for rejection.
- The consideration shall be paid to the Public Shareholder(s) by their respective Seller Member in the name of sole/first holder only.
- The Public Shareholders, holding the Offer Shares in physical form, post bidding, should send the Bid Form along with share transfer deed, share certificates, TRS and other documents, as applicable, to the Registrar to the Offer. It is the sole responsibility of the Public Shareholders/Seller Member(s) to ensure that their Offer Shares held in physical form reaches the Registrar to the Offer on or before the close of business hours of Tuesday, March 16, 2021 (by 5 p.m.).
- In case, the Bid Form sent to the Registrar to the Offer is not complete in all respects, the same may be liable for rejection.

For any queries, please contact

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
<p data-bbox="272 310 613 373">SYSTEMATIX GROUP Investments Re-defined</p> <p data-bbox="134 405 751 430">SYSTEMATIX CORPORATE SERVICES LIMITED The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India. Tel. No. +91-22-6704 8000; Fax No. +91-22-6704 8022; Email: ecm@systematixgroup.in SEBI Registration No.: INM000004224 Contact Person: Mr. Amit Kumar</p>	<p data-bbox="1117 289 1263 430">CAMEO</p> <p data-bbox="938 430 1450 680">CAMEO CORPORATE SERVICES LIMITED, (CIN: U67120TN1998PLC041613) Subramanian Building, No 1, Club House Road, Chennai, 600 002, India Telephone: +91-22-6704 8000 Fax: +91-44 - 2846 0129 Email: cameo@cameoindia.com SEBI Registration No.: INR000003753 Contact Person: Mr. R.D. Ramasamy</p>

----- TEAR ALONG THIS LINE -----

ACKNOWLEDGEMENT SLIP

Received from Mr./ Mrs./ M/s _____ a Bid Cum Acceptance Form for Offer Shares at a Bid Price of Rs. _____ per Offer Share and the details of which are given as under.

DEMAT SHAREHOLDER		PHYSICAL SHAREHOLDER	
UNIQUE CLIENT CODE (UCC)		UNIQUE CLIENT CODE (UCC)	
DP ID NO.		FOLIO NUMBER	
CLIENT ID NO.		SHARE CERTIFICATE NO	
NO. OF OFFER SHARES		NO. OF OFFER SHARES	
BID PRICE PER OFFER SHARE (IN INR)		BID PRICE PER OFFER SHARE (IN INR)	
Note: Received but not verified share certificate(s) and share transfer deeds			

ACKNOWLEDGEMENT

UNIQUE CLIENT CODE (UCC)	
APPLICATION NUMBER	
DATE OF RECEIPT	
SIGNATURE OF OFFICIAL	

Signature of Official: _____ Date of receipt: _____

Form No. SH-4
Securities Transfer Form
Pursuant to section 56 of the Companies act, 2013 and sub-rule (1) of rule 11 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 hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: L24246TN1991PLC020409

Name of the company (in full): Naga Limited

Name of the Stock Exchange where the company is listed, if any: Metropolitan Stock Exchange of India Limited

DESCRIPTION OF SECURITIES:

Kind/Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Shares	Rs 10/-	Rs 10/-	Rs 10/-

No. of Securities being Transferred		Consideration Received (Rs)	
In figures	In words	In words	In figures

Distinctive Number	From			
	To			
Corresponding Certificate Nos:				

TRANSFEROR' S PARTICULARS

Registered Folio Number	
Name(s) in full	Seller Signature (s)
1.	
2.	
3.	
I, hereby confirm that the Transferor has signed before me.	Witness Signature
Name and Address of Witness	

TRANSFEEE' S PARTICULARS

Name in full (1)	Father's/ Mother's / Spouse Name (2)	Address & E-mail id (3)
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
Business		

Folio No. of Transferee: _____

Specimen Signature of Transferee

- 1. _____
- 2. _____
- 3. _____

Value of stamp affixed: _____ (Rs.)

Enclosures:

- (1) Certificate of 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.....

Stamps:

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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