

**LETTER OF OFFER**

*“This Document is important and requires your immediate attention”*

This Letter of Offer (LoO) is sent to you as public shareholder(s) of **MANGALAM INDUSTRIAL FINANCE LIMITED**. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer to the Member of the Stock Exchange through whom the said sale was effected.

**OPEN OFFER (“OFFER”)**

**BY**

Name	Address	Contact No.	Email Id
Yatin Gupte (“Acquirer 1”)	12/a, Suramya Bungalows, Raipura Road, Bhayali Gaon, Behind Lalguru Farm, Bhayli Vadodara - 391410 Gujarat, India	+91 95860 55500	<a href="mailto:yatin@wardwizard.in">yatin@wardwizard.in</a>
Sojan V Avirachan (“Acquirer 2”)	Vettukallel, Thommankuthu P.O, Thommankuthu, Nadakkal, Vannapuram, Idukki, Kerala 685607	+91 7907 351671	<a href="mailto:sojanmba2007@gmail.com">sojanmba2007@gmail.com</a>
Mr. R.Venkataramana (“Acquirer 3”)	13/1, 2nd Cross Sreekar Mansion, Raghuram Reddy Layout, Near BBMP Office, Bangalore North, Bangalore, Karnataka – 560037	+91 70193 33148	<a href="mailto:rvramana171@gmail.com">rvramana171@gmail.com</a>
Garuda Mart India Private Limited (“Acquirer 4”)	2,103/5, Ground Floor 3rd Main Road Doddanekkundi Bangalore 560037	+91 7019333148	<a href="mailto:rvramana171@gmail.com">rvramana171@gmail.com</a>
Wardwizard Solutions India Private Limited (“Acquirer 5”)	Shed No.C- 222, GIDC, Makarpura Industrial Estate, Vadodara 390010	+91 9727755083	<a href="mailto:yatin@wardwizard.in">yatin@wardwizard.in</a>

(hereinafter collectively referred to as “**The Acquirers**”)

**To the existing shareholders of  
MANGALAM INDUSTRIAL FINANCE LIMITED**  
(Hereinafter referred to as “**MIFL**” or the “**Target Company**”)  
(CIN: **L65993WB1983PLC035815**)

**Registered Office:** Subol Dutt Building, 13, Brabourne Road, Mezzanine Floor Kolkata 700001.

**Tel No.:** +033 - 22315680/5682/5686/5687; [www.miflindia.com](http://www.miflindia.com) ; **Email Id:** [info@miflindia.com](mailto:info@miflindia.com); [mifl\\_1983@yahoo.co.in](mailto:mifl_1983@yahoo.co.in); [mifl@miflindia.com](mailto:mifl@miflindia.com)

For the acquisition of up to 25,00,27,310 (Twenty-Five Crore Twenty-Seven Thousand Three Hundred and Ten Only) fully paid-up equity Shares of Re.1/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Re.0.50/- (Rupees Fifty Paise Only) per equity share (the “**Offer Price**”) payable in cash (“**Offer**” or “**Open Offer**”).

**Please Note:**

- This Offer is being made by the Acquirers pursuant to regulation 3(1) & (4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**SEBI (SAST) Regulations**”) for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
- The Target Company has received approval from RBI vide letter no. DoS (NBFC).RO.Kol.No.333/08.02.400/2020-21 dated December 23, 2020 for change in management and control which is valid for six months. To the best of the knowledge of the Acquirers, there are no statutory approval(s) required for the purpose of this Offer. However, in case of any statutory approval(s) being required at a later date, this Offer will be subject to such approval(s) and the necessary applications for such approvals will be made. For more details regarding the statutory and other approvals for the Offer, please see paragraph 6.8.1 (Statutory approvals and conditions of the Offer) at page 22 of this Letter of Offer.
- If there is any upward revision in the Offer Price/Size at any time up to one (1) working day prior to commencement of the tendering period viz. Friday, May 28, 2021 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement had appeared. If the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had appeared.
- This is not a **competitive offer as per Regulation 20 of the SEBI (SAST) Regulations 2011**.
- Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public/ Detailed Public Statement/Letter of Offer (LoO), shall not be entitled to withdraw such acceptance during the tendering period.
- The Offer is not subject to a minimum level of acceptance by the shareholders of MIFL and is not a conditional offer.
- The Procedure for acceptance is set out in Para 7 of this LoO.
- The Public Announcement, Detailed Public Statement and Letter of Offer would also be available on website of SEBI at ([www.sebi.gov.in](http://www.sebi.gov.in)).



**MANAGER TO THE OFFER**  
**CAPITALSQUARE ADVISORS PRIVATE LIMITED**  
208, 2<sup>nd</sup> Floor, AARPEE Center, MIDC Road No 11,  
CTS 70, Andheri (E), Mumbai 400 093, Maharashtra, India.  
**Phone No:** +91-22-66849999/ +91 98742 83532  
**Email:** [tanmoy.banerjee@capitalsquare.in](mailto:tanmoy.banerjee@capitalsquare.in)/[mb@capitalsquare.in](mailto:mb@capitalsquare.in)  
**Website:** [www.capitalsquare.in](http://www.capitalsquare.in)  
**Contact Person:** Mr. Tanmoy Banerjee  
**SEBI Reg. NO:** INM000012219

**OFFER OPENS ON: MAY 31, 2021 (MONDAY)**

**REGISTRAR TO THE OFFER**  
**PURVA SHARE REGISTRY (INDIA) PRIVATE LIMITED**  
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba  
Hospital Lane, Lower Parel (E) Mumbai – 400011, Maharashtra, India  
**Tel:** 022 2301 2518 / 8261  
**Email/ Investor Grievance E-mail:** [support@purvashare.com](mailto:support@purvashare.com)  
**Website:** [www.purvashare.com](http://www.purvashare.com)  
**Contact Person:** Ms. Deepali Dhuri  
**SEBI Registration No:** INR000001112

**OFFER CLOSES ON: JUNE 11, 2021 (FRIDAY)**

**A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:**

<b>Activities</b>	<b>Original Schedule Day and Date</b>	<b>Revised Schedule Day and Date</b>
Date of the PA	Thursday, November 19, 2020	Thursday, November 19, 2020
Publication of Detailed Public Statement in newspapers	Thursday, November 26, 2020	Thursday, November 26, 2020
Last date of filing of the Draft Letter of Offer with the SEBI	Friday, December 04, 2020	Friday, December 04, 2020
Last date of a Competing Offer	Friday, December 18, 2020	Friday, December 18, 2020
Last Date of SEBI's observation shall be received	Monday, December 28, 2020	Wednesday, May 12, 2021
Identified Date*	Wednesday, December 30, 2020	Friday, May 14, 2021
Date by which the Letter of Offer will be dispatched to the shareholders	Wednesday, January 06, 2021	Friday, May 21, 2021
Last date by which Board of the Target shall give its recommendation	Tuesday, January 12, 2021	Thursday, May 27, 2021
Last date for revising the Offer Price / Offer Size	Monday, January 11, 2021	Friday, May 28, 2021
Offer Opening Public Announcement	Tuesday, January 12, 2021	Friday, May 28, 2021
Date of commencement of tendering period (Open Date)	Wednesday, January 13, 2021	Monday, May 31, 2021
Date of closing of tendering period (Close Date)	Thursday, January 28, 2021	Friday, June 11, 2021
Date by which all requirements including payment of consideration would be completed	Thursday, February 11, 2021	Friday, June 25, 2021

*#There has been no competing offer as of the date of this LoO.*

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

**Risk Factors relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirers:**

1. The Offer involves an offer to acquire 26.00% of the total equity and voting share capital of MIFL from the eligible persons for the Offer. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
2. To the best of knowledge and belief of the Acquirer, as of the date of this LoO, except approval of Reserve Bank Of India in terms of paragraph 59 of Master Direction DNBR.PD.007/03.10.119/2016-17, September 01, 2016 [Master Direction – Non Banking Financial Company-Non Systematically Important Non Deposit taking Company (Reserve Bank) Directions, 2016], there are no other statutory approvals required for this Open Offer. 2.The Target Company has received approval from RBI vide letter no. DoS (NBFC).RO.Kol.No.333/08.02.400/2020-21 dated December 23, 2020 for change in management and control. However, if any other statutory approvals are required prior to completion of this offer, this offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.
3. In the event that either (a) regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of MFIL whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders for the delay, as may be specified by SEBI.

4. Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers under the Offer. The Acquirers may not be able to proceed with the Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

#### **6. Risks involved in associating with the Acquirers:**

The Acquirers intend to acquire up to 25,00,27,310 (Twenty-Five Crore Twenty-Seven Thousand Three Hundred and Ten Only) fully paid-up equity Shares of Re.1/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Re. 0.50/- (Rupees Fifty Paise Only) per equity share, payable in cash under the SEBI (SAST) Regulations, 2011. MIFL does not have any partly paid-up equity shares as on the date of PA. The equity shares and documents tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities, and the shareholders will not be able to trade such equity shares. Post this Offer, the Acquirers will have significant equity ownership & effective management control over the Target Company pursuant to regulation 3(1) & 4 of the SEBI (SAST) Regulations.

7. The Acquirers make no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company.
8. The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
9. The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.
10. The Acquirers make no assurance of market price of shares of the Target Company during or after the offer.

**The risk factors set forth above, pertain to the offer and not in relation to the present or future business or operations of MIFL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risk involved in participation or otherwise by a shareholder in the offer. Shareholders of MIFL are advised to consult their stockbrokers or investment consultants, if any for further risk with respect to their participation in the offer. Each Shareholder of the Target 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 transfer of Equity Shares of the Target Company to the Acquirers.**

#### **CURRENCY OF PRESENTATION**

- In this LoO, all references to “Rs. /Rupees/Re/Rupee” are references to the official currency of India.
- In this LoO, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

## TABLE OF CONTENTS

Sl. No.	Subject	Page No.
1.	Disclaimer Clause	5
2.	Details of the Offer	5-8
3.	Background of the Acquirers	8-15
4.	Background of Mangalam Industrial Finance Limited (“MIFL” or “Target Company”)	16-18
5.	Offer Price and Financial Arrangements	19-20
6.	Terms and Conditions of the Offer	20-22
7.	Procedure for Acceptance and Settlement of the Offer	22-24
8.	Acceptance of Shares	24
9.	Procedure for Tendering the Shares in Case of Non-Receipt of the Letter of Offer	24
10.	Settlement Process	24-25
11.	Settlement of Funds / Payment Consideration	25
12.	Note on Taxation	25-26
13.	Documents for Inspection	26-27
14.	Declaration by the Acquirers	27

## DEFINITIONS/ABBREVIATIONS

Acquirer 1	Mr. Yatin Gupte
Acquirer 2	Mr. Sojan V Avirachan
Acquirer 3	Mr. R.Venkataramana
Acquirer 4	Garuda Mart India Private Limited
Acquirer 5	Wardwizard Solutions India Private Limited
Board	The Board of Directors of the Target Company
Book Value per Share	Net Worth/Number of shares
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and Companies Act, 2013
DP	Depository Participant
DLoO	Draft Letter of Offer dated December 04, 2020, submitted to SEBI for its observations
DPS	Detailed Public Statement dated November 23, 2020
Tender Period	May 31, 2021 to June 11, 2021
ECS	Electronic Clearing Service
Escrow Banker	ICICI Bank Limited
Equity and voting share capital	Rs. 96,16,43,500 (Rupees Ninety-Six Crore Sixteen Lakhs Forty-Three Thousand Five Hundred Only) comprising of 96,16,43,500 equity shares of Re. 1/- each
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent
IFSC	Indian Financial System Code
LoO	Letter of Offer
Manager to the Offer	CapitalSquare Advisors Private Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	From November 19, 2020 (i.e., date of entering into Memorandum of Understanding between Acquirers and Manager to the Offer) to June 25, 2021 (i.e., date of Payment Consideration)
Offer Price	Re.0.50/- (Rupees Fifty Paise Only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirers to acquire 25,00,27,310 equity shares of Re.1/- each, representing 26.00% of the total equity and voting share capital at a price of Re. 0.50/- (Rupees Fifty Paise Only) per equity share
PA	Public Announcement dated November 19, 2020.
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of MIFL except the Acquirers and parties to the Share Purchase Agreement
RBI	Reserve Bank of India
Registrar to the Offer	Purva Sharegistry (India) Private Limited
Return on Net Worth	Profit After Tax/Net Worth

Sale Shares	25,51,92,000 equity shares of Re.1/- each at a price of Re.0.50/- (Rupee Fifty Paise Only) per equity share forming part of the SPA
SEBI	Securities & Exchange Board of India
SEBI (SAST) Regulations/ Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
Sellers or Present Promoters	Promoters of Mangalam Industrial Finance Limited as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015
SPA or Agreement	Share Purchase Agreement dated November 19, 2020 entered into between the Acquirers and the Sellers
Target Company / MIFL	Mangalam Industrial Finance Limited

## 1. DISCLAIMER CLAUSE

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LoO WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF MIFL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR THE TARGETCOMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER CAPITALSQUARE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 26, 2020, TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.”**

## 2. DETAILS OF THE OFFER:

### 2.1.1 Background of the Offer:

2.1.1 This mandatory Offer (“**Open Offer**”) is being made by Yatin Gupte (“**Acquirer 1**”), Sojan V Avirachan (“**Acquirer 2**”), R. Venkataramana (“**Acquirer 3**”) Garuda Mart India Private Limited (“**Acquirer 4**”) and Wardwizard Solutions India Private Limited (“**Acquirer 5**”) (Herein After Collectively Referred To As “**Acquirers**”) in compliance with regulation 3(1) & 4 of the SEBI (SAST) Regulations, to the shareholders of Mangalam Industrial Finance Limited (hereinafter referred to as “**Target Company**” or “**MIFL**”) a company incorporated and duly registered under the Companies Act, 1956 and having its registered office Subol Dutt Building, 13, Brabourne Road, Mezzanine Floor Kolkata 700 001. This Offer has been triggered upon the execution of the Share Purchase Agreement dated November 19, 2020 entered into by and between Mr. Pradeep Kumar Daga, Responce Commodities LLP, Responce Securities Pvt Ltd (hereinafter collectively referred to as the “**Sellers**”) and Yatin Gupte (“**Acquirer 1**”) Sojan V Avirachan (“**Acquirer 2**”), R.Venkataramana (“**Acquirer 3**”), Garuda Mart India Private Limited (“**Acquirer 4**”) and Wardwizard Solutions India Private Limited (“**Acquirer 5**”) (hereinafter collectively referred to as the “**Acquirers**”).

2.1.2 The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.

2.1.3 There is no person acting in concert (“**PAC**”) with the Acquirers within the meaning of regulation 2(1) (q) of the SEBI (SAST) Regulations.

2.1.4 The Acquirers are making an offer to acquire 25,00,27,310 fully paid-up Equity Shares of Re.1/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Re.0.50/- (Rupee Fifty Paise Only) per equity share (the “**Offer Price**”) payable in cash, subject to the terms and conditions mentioned hereinafter.

2.1.5 The Acquirers have entered into a Share Purchase Agreement dated November 19, 2020 with the present Promoters of the Target Company viz Mr. Pradeep Kumar Daga, Responce Commodities LLP, Responce Securities Pvt Ltd to acquire in aggregate 25,51,92,000 (Twenty Five Crore Fifty One Lakhs Ninety Two Thousand Only) equity shares of

Re.1/- each representing 26.54% of the fully paid-up equity and voting share capital of the Target Company at a price of Rs.0.50/- per fully paid-up equity share payable in cash (“**Negotiated Price**”) for a total consideration of Rs 12,75,96,000.

The details of the Sellers are as under:

Sl. No.	Name, PAN & Address of Seller	Nature	Part of the Promoter/Promoter Group (Yes/No)	Shares Holding of the Sellers			
				Pre Transaction		Post Transactions	
				No of Share	% to paid Equity Shares	No Share of	% to paid Equity Shares
1.	<b>Pradeep Kumar Daga</b> PAN: ACOPD3574C Address: 33, Brabourne Road, 2nd Floor, Kolkata-700001, West Bengal	Individual	Yes	1,000	Negligible	NIL	NA
2.	<b>Responce Commodities LLP</b> PAN: AATFR7954F Address: Subol Dutt Building 13, Brabourne Road, 6 <sup>th</sup> Floor Kolkata 700 001, West Bengal	LLP	Yes	25,05,00,000	26.05	NIL	NA
3.	<b>Responce Securities Private Limited</b> PAN: (AADCR8217J) Address: Subol Dutt Building 13, Brabourne Road, 6 <sup>th</sup> Floor Kolkata 700 001, West Bengal)	Company	Yes	46,91,000	0.49	NIL	NA
<b>TOTAL</b>				<b>25,51,92,000</b>	<b>26.54</b>	<b>NIL</b>	<b>NIL</b>

- 2.1.6 Apart from as mentioned above 25, 51, 92,000 (Twenty-Five Crore Fifty-One Lakhs Ninety-Two Thousand Only) equity shares of Re.1/- each representing 26.54% of the fully paid-up equity and voting share capital of the Target Company which the Acquirers have agreed to acquire pursuant to SPA dated November 19, 2020 the Acquirers have not acquired any equity shares of the Target Company during the 52 weeks’ period prior to the date of the PA.
- 2.1.7 The Manager to the Offer i.e., CapitalSquare Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of this LOO. The Manager to the Offer further declared and undertakes that they shall not deal in the Equity Shares of the Target Company on their own account during the offer period.
- 2.1.8 The Offer is not as a result of global acquisition resulting in indirect acquisition of MIFL.
- 2.1.9 The Salient features of the Share Purchase Agreement are as follows:
- The Sellers are hold 25, 51, 92,000 Equity shares of the Target Company aggregating to 26.54% of the present paid up Equity and voting share capital of the Target Company.
  - The Sellers have agreed to sell, and the Acquirers have agreed to acquire in aggregate 25,51,92,000 fully paid up Equity shares of Re.1/- each (“**Sale shares**”) representing 26.54% of the present paid up Equity and voting share capital of the Target Company at a price of Re.0.50/- per share for cash aggregating to Rs. 12,75,96,000/- (“**Purchase Price**”).
  - The Sale Shares are free from all charges, encumbrances or liens and are not subjects to any lock in period.
  - The aggregate purchase consideration for the sale shares i.e., Rs. 12, 75, 96,000/- shall be payable to the Sellers.
  - The Acquirers have paid Earnest Money Deposit of Rs. 50, 00,000/- to the Sellers at the time of signing of Share Purchase Agreement.
  - The Acquirers shall pay an amount of Rs. 12, 25, 96,000/- (Balance consideration) to the Sellers towards purchase consideration at any time before the completion of the Open Offer formalities & after RBI clearance.

- g. After completion of open offer, the sellers will not hold any equity shares capital of the Target Company and will be no more shareholders of the Target Company in any capacity.
  - h. The Sellers shall sell, convey, and deliver to the Acquirers, Sale shares and the Acquirers shall purchase, acquire and accept from the Sellers.
  - i. The Sale Shares are free from all charges, encumbrances, pledge, liens, attachments, and litigations.
  - j. The Acquirers and the Sellers are agreed to abide by its obligations as contained in the SEBI (SAST) Regulations.
  - k. That in case of non-compliance of any provisions of the SEBI (SAST) Regulations; the Agreement for such sale shall not be acted upon by the Sellers or the Acquirers.
- 2.1.10 The Acquirers have not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.
- 2.1.11 Apart from 25, 51, 92,000 (Twenty-Five Crore Fifty-One Lakhs Ninety-Two Thousand) fully paid-up equity shares which the Acquirers have proposed to acquire through SPA; the Acquirers do not hold any equity shares/voting rights of MIFL. The provisions of Chapter V of SEBI (SAST) Regulations, 2011 are applicable to the Acquirers and the Acquirers have complied with the provisions of Chapter V of SEBI (SAST) Regulations, 2011.
- 2.1.12 As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.
- 2.1.13 No other persons/individuals/entities are acting in concert with the Acquirers for the purpose of this Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

## 2.2 Details of the proposed Offer:

- 2.2.1. The Acquirers have made a Public Announcement on November 19, 2020 to SEBI, BSE and Target Company and Detailed Public Statement pursuant on November 24, 2020 which was published in the following newspapers in accordance with the Regulation 14 (3):

Publication	Language	Edition
Business Standard	English and Hindi	All Editions
Mumbai Lakshdeep	Marathi	Mumbai Edition
Arthi Lipi	Bengali	Kolkata Edition

The Detailed Public Statement is also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in); website of BSE at [www.bseindia.com](http://www.bseindia.com); and the website of Manager to the Offer [www.capitalsquare.in](http://www.capitalsquare.in)

- 2.2.2. The Acquirers have proposed to acquire from the existing equity shareholders of MIFL 25,00,27,310 equity shares of Re.1/- each representing 26.00% of total Equity and voting share capital of the Target Company, at a price of Re.0.50/- (Rupees Fifty Paise Only) (the “Offer Price”) per Equity share payable in cash (the “Offer” of “Open Offer”) in accordance with Regulation 9(1)(a) of SEBI (SAST) Regulations, 2011 and subject to the terms and conditions set out in the PA, the DPS and this Letter of Offer.
- 2.2.3. The Target Company doesn’t have any partly paid-up shares. There are no outstanding warrants or option or similar instrument, convertible into equity shares at a later stage. No shares are subject to any lock- in obligations.
- 2.2.4. The Acquirers will accept all the Equity shares of MIFL those that are tendered in valid form in terms of this Open Offer up to a maximum of 25, 00, 27,310 fully paid-up Equity shares of Re.1/- each representing 26.00% of the total Equity and voting share capital of the Target Company.
- 2.2.5. Since the date of the PA to the date of this LoO, the Acquirers have not acquired any Equity shares of MIFL.
- 2.2.6. The Acquirers have deposited 100 % of the total consideration payable to the Equity Shareholders under this Offer.
- 2.2.7. No competitive bid has been received as on date of this Letter of Offer.
- 2.2.8. There is no differential pricing in this Open Offer.

- 2.2.9. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of SEBI (SAST) Regulations and is not a competitive bid in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 2.2.10. The offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 2.2.11. The Equity Shares of the Target Company will be acquired by Acquirers free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 2.2.12. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed CapitalSquare Advisors Private Limited as the Manager to the Offer.
- 2.2.13. As per Regulation 38 of SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015.
- 2.2.14. Upon completion of the Offer, assuming full acceptances in the Offer, Acquirers will hold 50,52,19,310 (Fifty Crore Fifty-Two Lakh Nineteen Thousand Three Hundred and Ten Only) Equity Shares constituting 52.54% of the present issued, subscribed and paid-up share capital of the Target Company.

### 2.3 Object of the Offer:

- 2.3.1 The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 2.3.2 The Acquirers have proposed to continue existing business of the Target Company and may diversify its business activities in future with prior approval of the shareholders. The main purpose of takeover is to expand the Company's business activities in same/diversified line through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.
- 2.3.3 The Acquirers does not have any plans to dispose off or otherwise encumber any significant assets of MIFL in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and (b) on account of regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirers undertakes that they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of the SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.
- 2.3.4 The Acquirers have reserves the right to streamline/ restructure, pledge/ encumber its holding in the Target Company and/ or the operations, assets, liabilities and/ or businesses of the Target Company and/ or its subsidiary through arrangements, reconstructions, restructurings, mergers (including but not limited to merger with or between its subsidiary), demergers, sale of assets or undertakings and/ or re-negotiation or termination of existing contractual/ operating arrangements, at a later date in accordance with applicable laws. Such decisions will be taken in accordance with procedures set out under applicable law, pursuant to business requirements and in line with opportunities or changes in economic circumstances, from time to time.
- 2.3.5 This Open Offer is for acquisition of 26.00% of total Equity and voting share capital of the Target Company. After the completion of this Open Offer and pursuant to transfer of Equity shares so acquired under SPA, the Acquirers shall hold the majority of the Equity Shares by virtue of which they shall be in a position to exercise effective management and control over the Target Company.

## 3. BACKGROUND OF THE ACQUIRERS:

### A.1. YATIN GUPTE: (hereinafter referred to as "Acquirer 1")

- i. Mr. Yatin Gupte, S/o Sanjay Mahadeo Gupte, aged 42 is residing at 12/a, Suramya Bungalows, Raipura Road, Bhayali Gaon, Behind Lalguru Farm, Bhayli Vadodara - 391410 Gujarat, India.
- ii. The contact details of Acquirer 1 are as follows:

Contact No	+91 9586055500
Email id	yatin@wardwizard.in .



- iii. Acquirer 1 is holding a Permanent Account Number - AIHPG2333B.
- iv. He is a Masters of Business Administration (M.B.A Exe.), in Insurance from Bharitya Shiksha Parishad, Uttar Pradesh.
- v. He has more than 16 years of experience and expertise in field of Sales Marketing, Business Development Client Servicing Renewals and Operations (including 11 years of experience in Insurance). Since January 2014, he is the Group Chairman of WARDWIZARD.
- vi. Entities promoted/ Controlled/Managed by Acquirer 1 are as under-

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/ Shares of Partnership
1.	Wardwizard Solution India Private Limited	Director	95.00%
2.	Wardwizard Sales Force India Private Limited	Director	50.00%
3.	Kerala Health and Wellness Solution LLP	Designated Partner	33.00%
4.	Dhanwanthari Health and Wellness Solutions Private Limited	Director	70.00%
5.	JZ Hospitality Private Limited	Director	49.04%
6.	Wardwizard Innovations & Mobility Limited (formerly known as Manvijay Development Company Limited)	Executive Director	42.15%
7.	Orchid Securities Limited	Executive Director	23.89%
8.	Hamted Digi Solution Private Limited	Director	20.00%

- vii. The Net worth of Acquirer 1 as on October 31, 2020 is Rs.425,67,57,120.07 (Four Hundred Twenty-Five Crores Sixty-Seven Lacs Fifty-Seven Thousand One Hundred Twenty and Paise Seven Only) and the same is certified by Mr. Rutvij Vyas, VCA & Associates, Chartered Accountants, (Membership No. 109191), having office at 503, Sterling Center, beside Center Point R.C. Dutt Road, Vadodara- 390 007. Tel. No. +91 98251 24489; Email: [vca.rutvij@gmail.com](mailto:vca.rutvij@gmail.com) .
- viii. As on date of this LoO, Acquirer 1 does not have any interest /relationship in the Target Company.
- ix. As on date of LoO, Acquirer 1 does not hold any Equity Share in the Target Company. However, he has entered into a Share Purchase Agreement on November 19, 2020 (Thursday) to acquire 4,80,82,175 shares representing 5.00 % of the Equity Share Capital of the Target Company
- x. He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- xi. He has confirmed that he is not categorized as a “Willful Defaulter” in terms of Regulation (1) (ze) of the SEBI (SAST) Regulations, 2011. It has further confirmed that it is not appearing in the willful defaulters list of the Reserve Bank of India.
- xii. As on the date, Acquirer 1 has confirmed that he is not declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- xiii. Acquirer 1 is not forming part of the present Promoter and Promoter group of the Target Company.
- xiv. There are no persons acting in concert in relation to the offer within the meaning of 2(1) (q) (1) of the Regulations.
- xv. The Acquirer 1 undertakes that he will not sell the equity shares of the Target Company, held, and acquired by him, if any, during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations

#### **A.2. SOJAN V AVIRACHAN: (hereinafter referred to as “Acquirer 2”)**

- i. Mr. Sojan V Avirachan, S/o Avirachan, aged 42, is residing at Vettukallel, Thommankuthu P.O, Thommankuthu, Nadakkal, Vannapuram, Idukki, Kerala 685607.
- ii. The contact details of Acquirer 2 are as follows:

Contact No	+91 7907351671
Email id	sojanmba2007@gmail.com

- iii. He is holding Permanent Account Number - BWYPS2447E.
- iv. He has completed Masters of Business Administration in Finance and HR from Anna University Chennai in 2007. He got Honorarium Doctorate from International Tamil University in 2018 as reorganization on his talents and activities in financial industry especially in co-operative sector.
- v. He has more than 13 years of experience in the field of Administration, Investment, Banking and Finance activities.
- vi. Entities Promoted/ Controlled/Managed by Acquirer 2 are as under-

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/ Shares of Partnership
1.	Aevas Business Solution Private Limited	Director	70.00%
2.	Orchid Securities Limited	Executive Director	20.22%
3.	Aevas Visual Magic Private Limited	Director	98.00%
4.	High Toughened Glasses LLP	Designated Partner	8.33%

- vii. As on date of this LoO, Acquirer 2 does not have any interest /relationship in the Target Company.
- viii. The Net worth of Acquirer 2 as on November 19, 2020 is Rs. 44,06,04,575 (Rupees Forty-Four Crore Six Lakhs Four Thousand Five Hundred Seventy-Five Only) and the same is certified by Mr. Joseph Lal, Joseph Lal & Associate, Chartered Accountants, (Membership No. 226995, having office at Flamon Complex, III Floor, Kuriachira - 680006, Thissur, Kerala. Tel. No. 9400499177; Email: [cjosephlal@gmail.com](mailto:cjosephlal@gmail.com), [josephlalassociates@gmail.com](mailto:josephlalassociates@gmail.com)
- ix. As on date of LoO, Acquirer 2 does not hold any Equity Share in the Target Company. However, he has entered into a Share Purchase Agreement on November 19, 2020 (Thursday) to acquire 8,65,47,915 shares representing 9.00 % of the Equity Share Capital of the Target Company.
- x. He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- xi. He has confirmed that he is not categorized as a “Willful Defaulter” in terms of Regulation (1) (ze) of the SEBI (SAST) Regulations, 2011. It has further confirmed that it is not appearing in the willful defaulters list of the Reserve Bank of India.
- xii. As on the date, Acquirer 2 has confirmed that he is not declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- xiii. Acquirer 2 is not forming part of the present Promoter and Promoter group of the Target Company.
- xiv. There are no persons acting in concert in relation to the offer within the meaning of 2(1) (q) (1) of the Regulations.
- xv. The Acquirer 2 undertakes that he will not sell the equity shares of the Target Company, held and acquired by him, if any, during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

**A.3. R. VENKATARAMANA: (hereinafter referred to as “Acquirer 3”)**

- i. R. Venkataramana, S/o R. Penchalaiah, aged 45, is residing at 13/1 2nd Cross Sreekar Mansion, Raghuram Reddy Layout, Near BBMP Office, Bangalore North, Bangalore, Karnataka – 560037.
- ii. The contact details of Acquirer 3 are as follows:

Contact No	+91 7019333148
Email id	rvramana171@gmail.com

- iii. Acquirer 3 is holding a Permanent Account Number - AHSPR8820L.
- iv. He has completed Masters of Business Administration from Sri Krishnadevaraya University, Andhra Pradesh and Post Graduate Diploma in Information Technology (PGDIT) from Manipal Academy of Higher Education, Karnataka.
- v. He has more than 17 years of rich experience and expertise in field of field of sales, Business Development, Product Training, Client Servicing, Marketing. Portfolio Management, Market Research, General Administration and strategic Planning and Financial, Multiple Bonds, Infrastructure, Term Deposits and Loans
- vi. Entities Promoted/ Controlled/Managed by Acquirer 3 are as under-

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/ Shares of Partnership
1.	Garuda Mart India Private Limited	Promoter/ Director	90.00%
2.	Ashrema Vidyarthi Akshaya Seva Sadan Foundation	Promoter/ Director	80.00%
3.	Orchid Securities Limited	Executive Director	15.26%

- vii. As on date of this LoO, Acquirer 3 does not have any interest /relationship in the Target Company.
- viii. The Net worth of Acquirer 3 as on November 19, 2020 is Rs. 447.00 Lacs/- (Rupees Four Hundred and Forty Seven Lakhs Only) and the same is certified by Mr. Prasanna Adiga, Chartered Accountants, (Membership No. 227199, having office at No. 370/60, 1<sup>st</sup> Floor, 50 Feet Road, 9<sup>th</sup> Main, Hanumanth Nagar, Bengaluru-560019. Tel. No. +91 9901185679; Email: [caprasanna.adiga@gmail.com](mailto:caprasanna.adiga@gmail.com)
- ix. As on date of LoO, Acquirer 3 does not hold any Equity Share in the Target Company. However, he has entered into a Share Purchase Agreement on November 19, 2020 (Thursday) to acquire 4,80,82,175 shares representing 5.00 % of the Equity Share Capital of the Target Company.
- x. He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- xi. He has confirmed that he is not categorized as a “Willful Defaulter” in terms of Regulation (1) (ze) of the SEBI (SAST) Regulations, 2011. It has further confirmed that it is not appearing in the willful defaulters list of the Reserve Bank of India.
- xii. As on the date, Acquirer 3 has confirmed that he is not declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- xiii. Acquirer 3 is not forming part of the present Promoter group of the Target Company.
- xiv. There are no persons acting in concert in relation to the offer within the meaning of 2(1) (q) (1) of the Regulations.
- xv. The Acquirer 3 undertakes that he will not sell the equity shares of the Target Company, held and acquired by him, if any, during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

#### **A.4 GARUDA MART INDIA PRIVATE LIMITED: (hereinafter referred to as “Acquirer 4”)**

- (i) The Acquirer 4 was incorporated as Garuda Mart India Private Limited on March 16, 2017 under the provisions of Companies Act, 2013. The corporate identification number of the Acquirer is U74999KA2017PTC101399. The registered office of the Acquirer is situated at 2,103/5, Ground Floor 3rd Main Road Doddanekkundi Bangalore, Karnataka 560037.
- (ii) The contact details of Acquirer 4 are as follows:

Contact No	+91 7019333148
Email id	<a href="mailto:rvramana171@gmail.com">rvramana171@gmail.com</a>
Website	<a href="http://www.garudamartindia.com">www.garudamartindia.com</a>

- (iii) The Authorized Equity Share Capital of Acquirer 4 is ₹1, 00, 00,000 divided into 10,00,000 shares of ₹ 10.00 each. The

Paid-up Equity Share Capital of Acquirer is ₹ 51, 00,000 divided into 5, 10,000 shares of ₹10.00 each.

- (iv) Equity shares of the Acquirer 4 are not listed on any stock exchange in India or abroad.
- (v) The Acquirer 4 is not forming part of the Promoter and Promoter group of the Target Company.
- (vi) The present Board of Directors of Acquirer 4 are as follows:

Name	DIN	Qualification & Experience	Date of Appointment	Designation
Venkataramana Revuru	02809108	He is a Masters of Business Administration From Sri Krishnadevaraya University, Andhra Pradesh and Post Graduate Diploma in Information Technology (PGDIT) from Manipal Academy of Higher Education, Karnataka. He has more than 17 years of rich experience and expertise in field of field of sales, Business Development, Product Training, Client Servicing, Marketing, Portfolio Management, Market Research, General Administration and strategic Planning and Financial, Multiple Bonds, Infrastructure, Term Deposits and Loans	16/03/2017	Director
Yerrabommanahalli Naganna Kalavathi	02832844	She is M Tech (Engineer). She has more than 3 years of experience in the field of administration.	16/03/2017	Director

- (vii) Acquirer 4 is engaged in the field of technology and health-oriented consumer products providing high quality smart televisions, home appliances and electric vehicles. It comprises of VYOM brand of LED TV's, car purifiers, air purifiers, water purifiers and hydrogen water cup sourced from across the globe and now offers JOY E BIKE, the battery powered bicycle and it has recently launched NANU e-scooter. The company has multiple outlets of electronic items, wherein they offer thoughtful combination of different electronic items at affordable prices. List of some products of Garuda Mart: LED TV, Air Purifier, Home theatre, Mixer Grinder, Washing Machine and AC & Refrigerator.
- (viii) Acquirer 4 is holding a Permanent Account Number (PAN) AAGCG7450D.
- (ix) The financial details of Acquirer 4 as per the audited accounts for the last three financial years March 31, 2020, March 31, 2019, March 31, 2018 and unaudited / certified financial results for the period ended November 19,2020 are as follows:

**Profit & Loss Statement**

Particulars	November 19, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited & Certified)	(Audited)	(Audited)	(Audited)
Income from Operations	5,12,82,500	3,53,26,012	1,63,13,056	1,06,60,998
Other Income	39,050	8,924	3,37,025	-
<b>Total Income</b>	<b>5,13,21,550</b>	<b>3,53,34,936</b>	<b>1,66,50,081</b>	<b>1,06,60,998</b>
<b>Total Expenditure</b>	<b>4,97,03,673</b>	<b>3,47,68,798</b>	<b>1,65,29,922</b>	<b>1,06,14,272</b>
<b>Profit/ (Loss) before Exceptional and Extraordinary Item and Tax</b>	<b>16,17,877</b>	<b>5,66,138</b>	<b>1,20,159</b>	<b>46,726</b>
<b>Profit/ (Loss) before Extraordinary Item and Tax</b>	<b>16,17,877</b>	<b>5,66,138</b>	<b>1,20,159</b>	<b>46,726</b>
<b>Profit/ (Loss) before Tax</b>	<b>16,17,877</b>	<b>5,66,138</b>	<b>1,20,159</b>	<b>46,726</b>
Less: Current Tax	-	-	60,766	17,810
Deferred Tax (Asset)/Liability	-	(8,971)	(40,895)	(5,776)
<b>Profit/ (Loss) After tax</b>	<b>16,17,877</b>	<b>5,75,109</b>	<b>1,00,288</b>	<b>34,692</b>

### Balance Sheet

Particulars	November 19, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited & Certified)	(Audited)	(Audited)	(Audited)
<b>(A) Sources of funds</b>				
Paid up share capital	51,00,000	5,00,000	5,00,000	5,00,000
Reserves & Surplus (excluding revaluation reserves)	1,21,42,94,509	7,10,089	1,34,980	34,692
Less: Deferred Tax Assets (Net)	55,642	55,642	46,671	5,776
<b>Net Worth</b>	<b>1,21,93,38,867</b>	<b>11,54,447</b>	<b>5,88,309</b>	<b>5,28,916</b>
Non-Current Liabilities	10,75,61,780	6,66,07,159	1,83,24,762	23,00,000
Current Liabilities	84,20,342	7,28,078	52,34,875	1,16,01,921
<b>Total (A)</b>	<b>1,33, 53,20,989</b>	<b>6,84,89,684</b>	<b>2,41,47,946</b>	<b>1,44,30,837</b>
<b>(B) Uses of funds</b>				
Net Fixed Assets	19,65,000	12,94,129	4,19,403	1,51,637
Intangible	36,50,253	28,25,844	13,817	-
Non-Current Assets	1,25,44,00,000	94,00,000	-	-
Long Term Loans & Advances	23,80,000	18,60,000	11,90,000	-
Current Assets	7,29,25,736	5,31,09,711	2,25,24,726	1,42,79,200
<b>Total (B)</b>	<b>1,33, 53,20,989</b>	<b>6,84,90,584</b>	<b>2,41,47,946</b>	<b>1,44,30,837</b>

### Other Financial Data

For the Year Ended	November 19, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited & Certified)	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-	-
<u>Earnings Per Share (Rs.)</u>				
Basic	3.17	11.50	2.01	0.69
Diluted	3.17	11.50	2.01	0.69
Return on Net worth (%)	0.13	47.53	15.79	6.49
Book Value Per Share (Rs.)	2390.97	24.20	12.70	10.69

Note:

EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period.

Return on Net Worth = Profit after Tax / Net Worth

Book Value per Share = Net Worth / No. of equity shares

Source: Audited Annual Reports/ Audited Financial Statements

- (x) As on date of LoO, Acquirer 4 does not hold any Equity Share in the Target Company. However, it has entered into a Share Purchase Agreement on November 19, 2020 (Thursday) to acquire 1,92,32,870 shares representing 2.00 % of the Equity Share Capital of the Target Company.
- (xi) Acquirer 4 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- (xii) Acquirer has confirmed that it is not categorized as a “Willful Defaulter” in terms of Regulation (1) (ze) of the SEBI (SAST) Regulations, 2011. It has further confirmed that it is not appearing in the willful defaulters list of the Reserve Bank of India.
- (xiii) Acquirer has confirmed that it is not declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- (xiv) Acquirer 4 is the promoter of Wardwizard Innovations & Mobility Limited (Formerly known as Manvijay Development Company Limited)

#### **A.5. WARDWIZARD SOLUTIONS INDIA PRIVATE LIMITED: (hereinafter referred to as “Acquirer 5”)**

- (i) The Acquirer 5 was incorporated as Wardwizard Solutions India Private Limited on March 14, 2016 under the provisions of

Companies Act, 2013. The Corporate Identification Number of the Acquirer 5 is U74900GJ2016PTC086439. The registered office of the Acquirer 4 is situated at Shed No. C- 222, GIDC, Makarpura Industrial Estate, Vadodara 390 010, Gujarat, India

(ii) The contact details of Acquirer 5 are as follows:

Contact No	+91 9727755083
Email id	yatin@wardwizard.in
Website	<a href="http://www.wardwizard.in">www.wardwizard.in</a>

(iii) The Authorized Equity Share Capital of Acquirer 5 is ₹35, 00,000 divided into 3, 50,000 shares of ₹ 10.00 each. The Paid-up Equity Share Capital of Acquirer is ₹35, 00,000 divided into 3, 50,000 shares of ₹10.00 each.

(iv) Equity shares of the Acquirer 5 are not listed on any stock exchange in India or abroad.

(v) The Acquirer 5 is not forming part of the Promoter and Promoter group of the Target Company.

(vi) The present Board of Directors of Acquirer 5 are as follows:

Name	DIN	Qualification & Experience	Date of Appointment	Designation
Yatin Sanjay Gupte	07261150	He has more than 16 years of rich experience and expertise in field of Sales Marketing, Business Development Client Servicing etc. He is a Masters of Business Administration, in Insurance from Bharitya Shiksha parishad, Uttar Parishad.	14/03/2016	Director
Sanjay Mahadev Gupte	08286993	He has approximately 45 years of experience in the field of Engineering and worked with different groups of the Companies. He worked as a General Manager Marketing with Poggen-AMP Nagar Sheth Powertronics Ltd. He is a National Apprenticeship Certificate course in the Trade of Machinist IN Mumbai G.K.W Ltd.	27/11/2018	Director

(vii) Acquirer 5 is engaged in the business of to carry manufacturing a wide range of Electric Bike and Electric Bicycle i.e. Electric Mountain Bicycle, Rockfeller Model, Folding Mountain Electric Bicycle, Electric Bicycle for Children and Joy E Bike Advance Electric Bicycle.

(viii) Acquirer 5 is holding a Permanent Account Number (PAN) AABCW7891F.

(ix) The financial details of Acquirer 5 as per the audited accounts for the last three financial years March 31, 2020, March 31, 2019, March 31, 2018 and unaudited / certified financial results for the period ended June 30,2020 are as follows:

#### Profit & Loss Statement

Particulars	June 30, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited & Certified)	(Audited)	(Audited)	(Audited)
Income from Operations	7,34,69,554	18,05,88,334.37	5,65,46,539.70	33,565,497.90
Other Income	28,61,909	32,83,723.37	2,53,226.50	82,899.90
<b>Total Income</b>	<b>7,63,31,463</b>	<b>18,38,72,057.74</b>	<b>5,67,99,766.20</b>	<b>33,648,397.80</b>
<b>Total Expenditure</b>	<b>7,59,14,312</b>	<b>18,02,40,205.14</b>	<b>5,63,23,584.08</b>	<b>33,563,293.00</b>
<b>Profit/ (Loss) before Exceptional and Extraordinary Item and Tax</b>	<b>4,17,151</b>	<b>36,31,852.6</b>	<b>4,76,182.12</b>	<b>85,104.80</b>
<b>Profit/ (Loss) before</b>	<b>4,17,151</b>	<b>36,31,852.6</b>	<b>4,76,182.12</b>	<b>85,104.80</b>

<b>Extraordinary Item and Tax</b>				
<b>Profit/ (Loss) before Tax</b>	<b>4,17,151</b>	<b>36,31,852.6</b>	<b>4,76,182.12</b>	<b>85,104.80</b>
Less: Current Tax	-	-	-	-
Deferred Tax (Asset)/Liability	-	-	-	42,923
<b>Profit/ (Loss) After tax</b>	<b>4,17,151</b>	<b>36,31,852.6</b>	<b>4,76,182.12</b>	<b>42,181.80</b>

**Balance Sheet**

Particulars	June 30, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited and Certified)	(Audited)	(Audited)	(Audited)
<b>(A) Sources of funds</b>				
Paid up share capital	35,00,000	35,00,000	11,00,000	11,00,000
Reserves & Surplus (excluding revaluation reserves)	45,93,187	41,76,028.50	5,44,175.90	67,993.68
<b>Net Worth</b>	<b>80,93,187</b>	<b>76,76,028.5</b>	<b>16,44,175.9</b>	<b>11,67,993.68</b>
Non-Current Liabilities	42,57,57,829	41,59,42,302	12,62,79,934	9,52,231
Current Liabilities	(2,77,15,003)	(43,20,172.23)	(9,31,268.75)	5,82,25,976.35
<b>Total (A)</b>	<b>40,61,36,013</b>	<b>41,92,98,158.27</b>	<b>12,98,34,556.07</b>	<b>6,03,46,201.03</b>
<b>(B) Uses of funds</b>				
Net Fixed Assets	55,419,589	5,50,37,771.45	72,61,568.87	55,63,763.85
Non-Current Assets	33,411,996	1,77,47,885.14	65,90,669.09	54,28,951.07
Long Term Loans & Advances	-	11,47,30,780.52	4,23,71,581.78	75,22,069.09
Current Assets	31,73,04,428	23,17,81,721.16	7,07,69,023.29	4,18,31,417.02
<b>Total (B)</b>	<b>40,61,36,013</b>	<b>41,92,98,158.27</b>	<b>12,69,92,843.03</b>	<b>6,03,46,201.03</b>

**Other Financial Data**

For the Year Ended	June 30, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Unaudited and Certified)	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-	-
<u>Earnings Per Share (Rs.)</u>				
Basic	1.19	10.38	4.33	0.38
Diluted	1.19	10.38	4.33	0.38
Return on Net worth (%)	5.15	47.31	2.89	3.61
Book Value Per Share (Rs.)	23.12	21.93	14.95	10.62

*Note:*

EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period.

Return on Net Worth = Profit after Tax / Net Worth

Book Value per Share = Net Worth / No. of equity shares

Source: Audited Annual Reports/ Audited Financial Statements

- (x) As on date of LoO, Acquirer 5 does not hold any Equity Share in the Target Company. However, it has entered into a Share Purchase Agreement on November 19, 2020 (Thursday) to acquire 5,32,46,865 shares representing 5.54 % of the Equity Share Capital of the Target Company.
- (xi) Acquirer 5 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- (xii) Acquirer 5 has confirmed that it is not categorized as a “Willful Defaulter” in terms of Regulation (1) (ze) of the SEBI (SAST) Regulations, 2011. It has further confirmed that it is not appearing in the willful defaulters list of the Reserve Bank of India.
- (xiii) Acquirer 5 has confirmed that it is not declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- (xiv) Acquirer 5 is the promoter of Wardwizard Innovations & Mobility Limited (Formerly known as Manvijay Development Company Limited).

**4. BACKGROUND OF TARGET COMPANY – MANGALAM INDUSTRIAL FINANCE LIMITED (MIFL)**  
*(The disclosure mentioned under this section has been sourced from Target Company or publicly available sources)*

- 4.1 The Target Company was originally incorporated on February 08, 1983 in Kolkata. The registered office of the Target Company is situated at Subol Dutt Building, 13, Brabourne Road, Mezzanine Floor Kolkata 700001. The CIN of the Target Company is L65993WB1983PLC035815.
- 4.2 The Authorized Share Capital of MIFL is Rs. 96, 17, 00,000 (Rupees Ninety-Six Crores and Seventeen Lakhs Only) comprising of 96, 17, 00,000 equity shares of Re. 1/- each. The Issued, Subscribed & Paid-up Capital of the MIFL is Rs. 96,16,43,500 (Rupees Ninety-Six Crore Sixteen Lakhs Forty-Three Thousand Five Hundred Only) comprising of 96,16,43,500 equity shares of Re. 1/- each.
- 4.3 The Target Company is registered with Reserve Bank of India as a Non- Deposit taking Non- Banking Financial Company ('NBFC') vide Registration No. B.05.02961, in terms of Section 45IA of the Reserve Bank of India Act, 1934.
- 4.4 As on date of the Letter of Offer, the capital structure of the Target Company is as follows:

<b>Paid up Equity Shares of Target Company</b>	<b>No. of Shares / Voting Rights</b>
<b>Authorized Equity Shares</b>	96,17,00,000 Equity Shares of Re.1.00 each
Fully Paid-up Equity Shares	96,16,43,500
Partly Paid-up Equity Shares	Nil
<b>Total Paid-up Equity Shares</b>	96,16,43,500 Equity Shares of Re.1.00 each
Total voting rights in the Target Company	96,16,43,500 Equity Shares of Re.1.00 each

- 4.5 As on date the Target Company does not have any partly paid equity shares. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. No shares are subject to any lock in obligations.
- 4.6 The Equity Shares of the Target Company are listed on BSE Ltd ("BSE") only. The equity shares of Target Company have been delisted from The Calcutta Stock Exchange Ltd ("CSE") i.e. April 02, 2018 under SEBI (Delisting of Equity Shares Regulation), 2009. Based on the information available on the BSE website, the equity shares of the Target Company are not frequently traded on BSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations. The Target Company has already established connectivity with Central Depositories Services (India) Limited ("CDSL") and National Securities Depository Limited ("NSDL").
- 4.7 There has been no merger / demerger or spin off during the last 3 years.
- 4.8 The Target Company is in compliance with the SEBI (LODR) Regulations, 2015 and as on date of this LoO, no penal action has been taken by the stock exchange against the target company.
- 4.9 The present Board of Directors of MIFL are as follows:

<b>Sr. No.</b>	<b>Name</b>	<b>DIN</b>	<b>Designation</b>
1.	Pradeep Kumar Daga	00080515	Chairperson and Managing Director
2.	Utpal Dey	06931935	Non-Executive Director - Non-Independent Director
3.	Rathindra Nath Ghosh	00152267	Non-Executive -Independent Director
4.	Santosh Choradia	08471379	Non-Executive Director - Non-Independent Director
5.	Nitesh Singh	08751700	Non-Executive -Independent Director
6.	Pritika Choraria	08752495	Non-Executive -Independent Director

**4.10 Financial Information:**

The financial details of MIFL as per the audited accounts for financial years ended September 30, 2020, March 31, 2020; March 31, 2019 and March 31, 2018 are as follows:

**Profit & Loss Statement:**

<b>Particulars</b>	<b>(Rs. In Lacs)</b>			
	<b>For the period ended September 30, 2020</b>	<b>Year ended 31.03.2020</b>	<b>Year ended 31.03.2019</b>	<b>Year ended 31.03.2018</b>
	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>



Income from Operations	127.656	220.035	378.181	700.917
Other Income	0.744	1.570	5.738	0.008
<b>Total Income</b>	<b>128.400</b>	<b>221.605</b>	<b>383.919</b>	<b>700.925</b>
<b>Total Expenditure</b>	<b>102.575</b>	<b>234.738</b>	<b>380.319</b>	<b>661.538</b>
Profit/ (Loss) before Interest, Depreciation and Tax	25.825	(13.133)	<b>3.600</b>	<b>39.387</b>
Depreciation & Amortization Expenses	-	-	-	-
Interest	-	-	-	-
<b>Profit/ (Loss) before Tax</b>	<b>25.825</b>	<b>-</b>	<b>-</b>	<b>-</b>
Add: Exceptional Items	-	-	-	-
Less: Current Tax	-	0.125	(0.942)	(10.161)
Deferred Tax	-	-	0.02	0.020
Taxes for earlier period	-	-	-	-
<b>Profit/ (Loss) After tax</b>	<b>25.825</b>	<b>(13.258)</b>	<b>2.679</b>	<b>29.246</b>

### Balance Sheet

(Rs. In Lacs)

Particulars	For the period ended September 30, 2020	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2018
	(Audited)	(Audited)	(Audited)	(Audited)
<b>(A) Sources of funds</b>				
Paid up share capital	9616.435	9616.435	9,616.435	9,616.435
Reserves & Surplus (excluding revaluation reserves)	(6,188.590)	(6,214.415)	10.290	7.666
Less: Miscellaneous Expenditure not written off	-	-	-	-
<b>Net Worth</b>	<b>3,427.845</b>	<b>3402.02</b>	<b>9626.725</b>	<b>9624.101</b>
Non-Financials Liabilities	0.210	35.434	-	-
Provisions	64.722	65.651		
Deferred Tax Liabilities		-	-	0.005
Financials Liabilities	250.00			
Current Liabilities		-	63.578	64.026
<b>Total (A)</b>	<b>3,742.778</b>	<b>3503.104</b>	<b>9690.303</b>	<b>9688.132</b>
<b>(B) Uses of funds</b>				
Net Fixed Assets	0.042	0.042	0.056	0.154
Long Term Loans and Advances	2,740.790	2642.651	2,242.352	2,261.537
Investments	962.013	804.863	7021.00	7021.00
Non- Current Assets	-	-	-	-
Financial Assets	5.509	7.436		
Current Assets	-	-	426.88	405.441
Current Tax Assets (Net)	29.458	43.146	-	-
Deferred Tax Assets (Net)	4.966	4.966	0.016	
<b>Total (B)</b>	<b>3,742.778</b>	<b>3503.104</b>	<b>9690.303</b>	<b>9688.132</b>

### Other Financial Data

For the Year Ended	For the period ended September 30, 2020	31-Mar-20	31-Mar-19	31-Mar-18
	(Audited)	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-	-
<u>Earnings Per Share (Rs.)</u>				
Basic	0.002	(0.001)	0.0002	0.003
Diluted	0.002	(0.001)	0.0002	0.003
Return on Net worth (%)	0.75	-	0.03	0.30
Book Value Per Share (Rs.)	0.36	0.35	1.00	1.00

4.11 Pre and Post-Offer Shareholding Pattern of MIFL (based on Issued, Subscribed & Paid-up Equity and Voting Share Capital) is as under:

Shareholders' Category	Shareholding/voting rights prior to the SPA/acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI Regulations (SAST)		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
<b>1. Promoter</b>								
<b>(a) Party to Agreement:</b>								
Pradeep Kumar Daga	1,000	0.00			-	-	-	-
Responce Commodities LLP	25,05,00,000	26.05			-	-	-	-
Responce Securities Pvt. Ltd	46,91,000	0.49			-	-	-	-
<b>Total</b>	<b>25,51,92,000</b>	<b>26.54 %</b>			-	-	-	-
<b>(b) Promoters other than (a) above @</b>								
<b>Total</b>	-	-	-	-	-	-	-	-
<b>Total 1 (a+b)</b>	<b>25,51,92,000</b>	<b>26.54 %</b>	-	-	-	-	-	-
<b>2. Acquirers:</b>								
Yatin Gupte	Nil	NA	4,80,82,175	5.00	25,00,27,310	26.00 %	50,52,19,310	52.54%
Sojan V Avirachan	Nil	NA	8,65,47,915	9.00				
R.Venkataramana	Nil	NA	4,80,82,175	5.00				
Garuda Mart India Private Limited	Nil	NA	1,92,32,870	2.00				
Wardwizard Solutions India Private Limited	Nil	NA	5,32,46,865	5.54				
<b>Total 2</b>	<b>Nil</b>	<b>NA</b>	<b>25,51,92,000</b>	<b>26.54%</b>	<b>25,00,27,310</b>	<b>26.00%</b>	<b>50,52,19,310</b>	<b>52.54%</b>
<b>3. Parties to Agreement other than 1(a) &amp; 2</b>	-	-	-	-	-	-	-	-
<b>4. Public (other than Parties to Agreement and Acquirers) #</b>								
a. FIs/MFs/FIIs/Banks/SFIs	-	-	-	-	(25,00,27,310)	(26.00%)	45,64,24,190	47.46%
b. Others	70,64,51,500	73.46%	-	-				
<b>Total (4) (a+b+c)</b>	<b>70,64,51,500</b>	<b>73.46%</b>	-	-				
<b>GRAND TOTAL (1+2+3+4)</b>	<b>96,16,43,500</b>	<b>100.00%</b>			<b>NIL</b>	<b>NIL</b>	<b>96,16,43,500</b>	<b>100.00%</b>

Notes:

- No Equity Shares are subject to lock in.
- The Acquirers have not acquired any shares from the date of PA till the date of this Letter of Offer.
- After completion of open offer, existing promoters will be reclassified as Public category shareholder subject to the compliances of the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015.

## 5. OFFER PRICE AND FINANCIAL ARRANGEMENTS:

### 5.1 Justification of Offer Price:

- 5.1.1 The Equity Shares of the Target Company are listed at the BSE Limited (BSE). The shares are placed under Group 'XT', having a scrip code of "537800" & Scrip Id: MANGIND on the BSE.
- 5.1.2 The total trading turnover in the Equity Shares of the Target Company on the BSE i.e., the nation-wide trading terminal based on trading volume during the twelve calendar months prior to the month of PA (November 19, 2020) is as given below:

Stock Exchange	Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA	Total No. of listed equity shares of the Target Company	Total Trading Turnover (as % of total equity shares Listed)
BSE	67,38,754	96,16,43,500	0.70 %

- 5.1.3 Based on the above information available on the website of BSE, Equity Shares of MIFL are not frequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.
- 5.1.4 The Offer Price has been determined taking into account the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

Sr. No.	Particulars	Price (In Re per share)
1.	Negotiated Price under the SPA	Re. 0.50/-
2.	The Volume Weighted Average Price paid or payable for acquisitions by the Acquirers during 52 weeks immediately preceding the date of PA	NA
3.	Highest price paid or payable for acquisitions by the Acquirers during 26 weeks immediately preceding the date of PA	NA
4.	The Volume Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	NA
5.	Other Financial Parameters as at September 30 2020:	
	(a) NAV per Equity share	0.36
	(b) Price Earning Capacity Value per Equity Share	0.43
	(c) Market Based Value	NA

Rashmi Shah, R V Shah & Associates Chartered Accountants, (Membership No. 123478, Firm Reg. No. 133958W) having its office at 108, Sujata, Station Road, Malad East, Mumbai – 400 097, Tel No: : +91 98202 99754, E-mail: [rashmi@rvs-ca.com](mailto:rashmi@rvs-ca.com) , vide certificate dated 19th November 2020, 2020, calculated the fair value of the equity shares of Target Company as Re. 0.41 per share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manger to the Offer, the Offer Price of Re.0.50/- per equity share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations.

- 5.1.5 As on date there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations and all other applicable provisions of SEBI (SAST) Regulations.
- 5.1.6 If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working days before the date of commencement of the tendering period and would be notified to shareholders.
- 5.1.7 If the Acquirers, acquire or agrees to acquire any Equity Shares or Voting Rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the Regulations, in case of

an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirers shall (i) make public announcement in the same newspapers in which the DPS has been published; and (ii) simultaneously notify to SEBI, BSE, and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the Regulations.

- 5.1.8 If the Acquirers, acquire Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Open Offer under Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

## 5.2 Financial Arrangements:

- 5.2.1 In terms of Regulation 25(1), the Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged.

Mr. Rutvij Vyas, Partner (Membership No. 109191) of M/s VCA & Associates., Chartered Accountants (FRN: 114414W) having office at 503, Sterling Center, beside Center Point R.C. Dutt Road, Varodara- 390 007. Tel. No. 9825124489; Email: [vca.rutvij@gmail.com](mailto:vca.rutvij@gmail.com) , have certified vide certificate dated November 19, 2020 that sufficient resources are available with the Acquirers 1 and 5 for fulfilling the obligations under this 'Offer' in full. Mr. Joseph Lal, proprietor (Membership No. 226995) of M/s Joseph Lal & Associates., Chartered Accountants (FRN: 014248S) having office at 2D, Ashiyana Apartments, Paliam Road, Thrissur-680 001, Kerala. Tel. No.: +91 9400499177, E-Mail ID: [cajosephlal@gmail.com](mailto:cajosephlal@gmail.com), have certified vide certificate dated November 19, 2020 that sufficient resources are available with the Acquirer 2 for fulfilling the obligations under this 'Offer' in full. Mr. Prasanna Adiga, (Membership No. 227199) Chartered Accountant, having office No. 370/60, 1st Floor, 50 Feet Road, 9th Main, Hanumanth Nagar, Bengaluru-560019. Tel. No.: +91 9901185679, E-Mail ID: [ca.prasanna.adiga@gmail.com](mailto:ca.prasanna.adiga@gmail.com) , have certified vide certificate dated November 19, 2020 that sufficient resources are available with the Acquirers 3 and 4 for fulfilling the obligations under this 'Offer' in full.

- 5.2.2 The maximum consideration payable by the Acquirers to acquire 25,00,27,310 fully paid-up equity shares at the Offer Price of Re. 0.50 /- (Rupees Fifty Paise Only) per equity share, assuming full acceptance of the Offer would be Rs. 12,50,13,655/- (Rupees Twelve Crore Fifty Lakhs Thirteen Thousand Six Hundred Fifty-Five only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers has opened an Escrow Account under the name and style of "MIFL-Open Offer Escrow Account" with ICICI Bank Limited, ("Escrow Banker") and has deposited Rs 3,76,00,000/- i.e more than 25% of the total consideration payable in the Open Offer, assuming full acceptance. The Acquirers have further deposited an additional amount of ₹8,74,13,657/- (Rupees Eight Crore Seventy Four Lakhs Thirteen Thousand Six Hundred Fifty Seven only) from April 26, 2021 to April 28, 2021 in the Escrow Account aggregating to ₹12,50,13,657/- which is equivalent to 100% of the total consideration payable in the Open Offer, assuming full acceptance.

- 5.2.3 The Manager to the Offer is authorized to operate the above-mentioned Escrow account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

- 5.2.4 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.

- 5.2.5 In case of upward revision of the Offer Price and/ or the Offer Size, the Acquirers would deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

## 6. TERMS AND CONDITIONS OF THE OFFER:

- 6.1 The Letter of Offer will be mailed to all those shareholders of MIFL (except the Acquirers and the Parties to the SPA) whose name appear on the Register of Members and to the beneficial owners of the shares of the MIFL whose names appear on the beneficial records of the Depository Participant, at the close of business hours on May 14, 2021 ("Identified Date").

- 6.2 All owners of the shares, Registered or Unregistered (except the Acquirers and the parties to the SPA) who own the shares any time prior to the Closing of the Offer is eligible to participate in the Offer as per the procedure set out in Para

7 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

- 6.3 Accidental omission to dispatch the LoO or the non-receipt or delayed receipt of the LoO will not invalidate the Offer in anyway.
- 6.4 Subject to the conditions governing this Offer, as mentioned in the LoO, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 6.5 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.

**6.6 Locked-in Shares:**

There are no locked-in shares in MIFL.

**6.7 Eligibility for accepting the Offer:**

- 6.7.1 The Letter of Offer shall be mailed to all Equity Shareholders/ Beneficial Owners holding Equity Shares in dematerialized form (except the present promoter group shareholders and Acquirers) whose names appear in register of Target Company as on May 14, 2021, the Identified Date.
- 6.7.2 This Offer is also open to persons who own Equity Shares in Target Company but are not registered Shareholders as on the Identified date.
- 6.7.3 All Equity Shareholders/ Beneficial Owners (except the present promoter group Shareholders, and the Acquirers) who own Equity Shares of Target Company any time before the closure of the Offer is eligible to participate in the Offer.
- 6.7.4 The Acquirers have appointed Purva Shareregistry (India) Private Limited, as the Registrar to the Offer, having office at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai – 400011, Maharashtra; Tel No.: 022 2301 2518 / 8261, E-mail-Id: [support@purvashare.com](mailto:support@purvashare.com) , Website: [www.purvashare.com](http://www.purvashare.com) . The Contact Person: Ms. Deepali Dhuri from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays, and all public holidays), during the period the Offer is open.
- 6.7.5 The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance will also be available on the website of SEBI at: [www.sebi.gov.in](http://www.sebi.gov.in) In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in the Offer.
- 6.7.6 Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.
- 6.7.7 The acceptance of this Offer by the Equity Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.7.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/beneficial owner(s) of Target Company.
- 6.7.9 The Acquirers, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms and Share Transfer Deed etc. during transit and the Equity Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 6.7.10 The acceptance of Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.
- 6.7.11 The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.

## 6.8 Statutory Approvals and conditions of the Offer:

- 6.8.1 To the best of knowledge and belief of the Acquirers, as of the date of this LoO, all statutory approvals required for this Open Offer inter alia including approval of Reserve Bank Of India in terms of paragraph 59 of Master Direction DNBR.PD.007/03.10.119/2016-17, September 01, 2016 [Master Direction – Non Banking Financial Company-Non Systematically Important Non Deposit taking Company (Reserve Bank) Directions, 2016] has been obtained by the Target Company RBI vide letter no. DoS (NBFC).RO.Kol.No.333/08.02.400/2020-21 dated December 23, 2020. However, if any other statutory approvals are required prior to completion of this offer, this offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.
- 6.8.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required & received 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 Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers have reserved the right to reject such Equity Shares tendered in this Offer.
- 6.8.3 The Acquirers in terms of Regulation 23 of SEBI (SAST) Regulations will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS had appeared.
- 6.8.4 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

## 7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

- 7.1 The Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI and on such terms and conditions as may be permitted by law from time to time.
- 7.2 BSE Limited shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.
- 7.3 The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE, which shall be the Designated Stock Exchange, in the form of a separate window (“**Acquisition Window**”).
- 7.4 For implementation of the Open Offer, the Acquirers have appointed Nikunj Stock Brokers Limited (the “**Buying Broker**”) through whom the purchases and settlements on account of the Open Offer would be made by the Acquirers. The contact details of the Buying Broker are as follows:

<b>Name</b>	Nikunj Stock Brokers Limited
<b>Address</b>	A-92, Gf, Left Portion, Kamla Nagar, New Delhi-110007.
<b>Contact No.</b>	011-47030000-01
<b>Email Id</b>	<a href="mailto:info@nikunjonline.com">info@nikunjonline.com</a>
<b>Contact Person</b>	Mr. Pramod Kumar Sultania

- 7.5 All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.
- 7.6 The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized equity shares only.
- 7.7 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
- 7.8 Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).

### **7.8.1 Procedure for Equity Shares held in physical form:**

In accordance with the Frequently Asked Questions issued by SEBI, “FAQs – Tendering of physical shares in buyback offer /open offer/exit offer/delisting” dated February 20, 2020 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 issued by SEBI Shareholders holding securities in physical form are allowed to tender shares in Open Offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.

- i. Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer shall approach Selling Broker. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- ii. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein the along with the complete set of documents for verification procedures to be carried out (a) original share certificate(s), (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company, (c) self-attested copy of the shareholder’s PAN Card, and (d) TRS, any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscripted as “MIFL Open Offer”. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker
- iii. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- iv. Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform
- v. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- vi. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
  - a. Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
  - b. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
  - c. No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance.

### **7.8.2 Procedure for Equity Shares held in Demat Form:**

1. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Shares they wish to tender in Open Offer.
2. The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Indian Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry.

3. For Custodian Participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
4. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.
5. Upon placing the bid, the Seller member(s) shall provide Transaction Registration Slip (“TRS”) generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Equity Shares tendered etc.
6. The 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 or due to prorated Open Offer.

## **8. ACCEPTANCE OF SHARES**

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

In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

## **9. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF THE LETTER OF OFFER**

Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in the Letter of Offer.

The Letter of Offer along with acceptance form will be dispatched to all the eligible shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

The Letter of Offer along with the Form of Acceptance would also be available at website of SEBI, [www.sebi.gov.in](http://www.sebi.gov.in) and shareholders can also apply by downloading such forms from the said website.

Alternatively, in case of non-receipt of the Letter of Offer, the Eligible Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered, and other relevant documents as mentioned in paragraph 8. Such Eligible Public Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

## **10. SETTLEMENT PROCESS**

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

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

The direct credit of shares shall be given to the demat account of the Acquirers indicated by the Acquirers Buying Broker. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation’s bank account as per the prescribed schedule.



For the same, the existing facility of client direct payout in the capital market segment shall be available.

Buying Broker would also issue a contract note to the Acquirers for the Equity Shares accepted under the Offer.

Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the Buying Broker's pool account.

In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the Selling Broker(s) / Custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance shares to the Shareholders.

## **11. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION**

### **For Equity Shareholders holding Equity Shares in demat:**

The settlements of fund obligation for demat shares shall be effected by clearing corporation. For the equity shares accepted under the open offer, the payment will be made by the Clearing Corporation to the shareholders directly to their bank account.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Public Shareholders will receive funds payout in their settlement bank account.

The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.

Shareholders who intend to participate in the Offer should consult their respective Seller Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Broker upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18(11) of the SEBI SAST Regulations) grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

## **12. NOTE ON TAXATION**

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e., income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "Situs" of such shares. "Situs" of the shares is generally where a company is "incorporated". Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ("IT Act"). Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates.

Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.

Taxability of Capital Gain in the hands of the Public Shareholders:

- i. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held

for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the capital gains tax would be calculated on gains exceeding INR 100,000 (Indian Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

- ii. As per section 111A of the Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
- iii. Any applicable surcharge and education cess would be in addition to above applicable rates.
- iv. In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirers shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, in case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealer's/ tax advisors appropriately.

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

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

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

### **13. DOCUMENTS FOR INSPECTION:**

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, CapitalSquare Advisors Private Limited 208, 2<sup>nd</sup> Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai 400 093, Maharashtra, India on any working day between 10.00 a.m. and 5.00 p.m. during the period the Offer is open i.e., from Monday, May 31, 2021 to Friday, June 11, 2021.

- i) Memorandum and Articles of Association and Certificate of Incorporation of Mangalam Industrial Finance Limited.
- ii) Memorandum of Understanding between Manager to Offer i.e. CapitalSquare Advisors Private Limited and the Acquirers.
- iii) Memorandum of Understanding between Registrar to the offer i.e. Purva Sharegistry (India) Private Limited and the Acquirers
- iv) Certificate dated November 19, 2020 from Mr. Rutvij Vyas, Partner (Membership No. 109191) of M/s VCA & Associates., Chartered Accountants (FRN: 114414W) having office at 503, Sterling Center, beside Center Point R.C. Dutt Road, Vadodara- 390 007, Tel. No. 9825124489; Email: vca.rutvij@gmail.com, have certified that the Acquirers 1 and Acquirers 5 have sufficient resources available for the implementation of the Offer in full out of its own sources / financial commitment under this "Offer" in full.
- v) Mr. Joseph Lal, proprietor (Membership No. 226995) of M/s Joseph Lal & Associates., Chartered Accountants (FRN: 014248S) having office at 2D, Ashiyana Apartments, Paliyam Road, Thrissur-680 001, Kerala. Tel. No.: +91 9400499177, E-Mail ID: cajosephlal@gmail.com, have certified vide certificate dated November 19, 2020 that sufficient resources are available with the Acquirer 2 for fulfilling the obligations under this 'Offer' in full.

- vi) Mr. Prasanna Adiga, (Membership No. 227199) Chartered Accountant, having office at No. 370/60, 1<sup>st</sup> Floor, 50 Feet Road, 9<sup>th</sup> Main, Hanumanth Nagar, Bengaluru-560019. Tel. No.: +91 9901185679, E-Mail ID: ca.prasanna.adiga@gmail.com, have certified vide certificate dated November 19, 2020 that sufficient resources are available with the Acquirers 3 and 4 for fulfilling the obligations under this ‘Offer’ in full.
- vii) Certificate dated November 19, 2020 from Rashmi Shah, R V Shah & Associates Chartered Accountants, (Membership No. 123478, Firm Reg. No. 133958W) having its office at 108, Sujata, Station Road, Malad East, Mumbai – 400 097, Tel No: : +91 98202 99754, E-mail: [rashmi@rvs-ca.com](mailto:rashmi@rvs-ca.com) relating to the fair value of the equity shares of the Target Company.
- viii) Annual Reports for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 and limited reviewed Six months ended September 30, 2020 of Mangalam Industrial Finance Limited
- ix) Bank Statement received from, ICICI Bank Limited for required amount kept in the escrow account and marked lien in favor of Manager to Offer.
- x) The copy of Share Purchase Agreement dated November 19, 2020 between the Sellers and the Acquirers, which triggered the Open Offer.
- xi) Copy of the Public Announcement dated November 19, 2020 and publication of the Detailed Public Statement dated November 23, 2020.
- xii) Copy of the recommendations to be published on May 27, 2021 made by the Committee of Independent Directors of the Target Company.
- xiii) Copy of SEBI Observation letter no. SEBI/HO/CFD/DCR-III/OW/ dated May 12, 2021.
- xiv) Escrow Agreement between Acquirers, ICICI Bank Limited and Manager to the Offer

#### 14. DECLARATION BY THE ACQUIRERS:

For the purpose of disclosures in this Letter of Offer relating to the Target Company the Acquirers have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers accepts full responsibility for the information contained in this Letter of Offer and also accepts responsibility for the obligations of the Acquirers as laid down in the Takeover Regulations. The Acquirers shall be responsible for ensuring compliance with the Takeover Regulations.

##### Acquirers:

Yatin Gupte (“Acquirer 1”)	SD/-
Sojan V Avirachan (“Acquirer 2”)	SD/-
R. Venkataramana (“Acquirer 3”)	SD/-
Garuda Mart India Private Limited (“Acquirer 4”)	SD/-
Wardwizard Solutions India Private Limited (“Acquirer 5”)	SD/-

**Date: - 17/05/2021**

**Place: - Mumbai**

## FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,  
**The Acquirers**  
C/o Purva Sharegistry (India) Private Limited  
Unit: Mangalam Industrial Finance Limited – Open Offer  
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,  
Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai – 400011, Maharashtra

Date:

OFFER	
Opens on	Monday, May 31, 2021
Closes on	Friday, June 11, 2021

Dear Sir,

**Subject: Open Offer by Yatin Gupte (“Acquirer 1”), Sojan Avirahan (“Acquirer 2”), R.Venkata Ramana (“Acquirer 3”) Garuda Mart India Private Limited (“Acquirer 4”) and Wardwizard Solutions India Private Limited (“Acquirer 5”) (hereinafter collectively referred to as “Acquirers”) to the Shareholders of Mangalam Industrial Finance Limited (hereinafter referred to as “Target Company” Or “MIFL”) to acquire from them upto 25,00,27,310 Equity Shares of Re. 1/- each representing 26% of the Equity and Voting Share Capital of MIFL @ Re. 0.50 per fully paid-up equity share**

I/We refer to the Letter of Offer dated **May 17, 2021** for acquiring the equity shares held by us in Mangalam Industrial Finance Limited.

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

### **SHARE HELD IN PHYSICAL FORM**

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

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

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

I/We note and understand that the original equity share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers pay the purchase consideration as mentioned in the LOF.

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

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

- Original Equity Share certificates.
- Valid share transfer deed(s) duly filled, stamped, and signed by the transferor(s) (i.e., by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- Form of Acceptance – signed by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
- Photocopy of Transaction Registration Slip (TRS) Self attested copy of PAN card of all the transferor(s).
- Self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license.
- Any other relevant document (but not limited to) such as Power of Attorney (if any person apart from the Shareholder has signed the FOA), corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased etc., as applicable. Shareholders of the Target Company holding physical shares should note that Physical Shares will not be accepted unless the complete set of documents are submitted.

### **For all Shareholders (holding equity shares in demat or physical form):**

I/We confirm that the equity shares which are being tendered herewith by me/us under this Open Offer, are free from liens, charges, equitable interests, and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I/we have obtained any necessary consents to sell the equity shares on the foregoing basis.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender equity shares for Open Offer and that I/we am/are legally entitled to tender the equity shares for Open Offer. I/We declare that regulatory approvals, if applicable, for holding the equity shares and/or for tendering the equity shares in this Offer have been enclosed herewith.

I/We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the certificates, documents, and signatures, as applicable submitted along with this FOA. I/We undertake to return to the Acquirer any Open Offer consideration that may be wrongfully received by me/us.

I/We give my/our consent to file form FCTRS, if applicable, on my/our behalf. I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to effect the Open Offer in accordance with the SEBI (SAST) Regulations.

I/We am/are not debarred from dealing in equity shares.

I/We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer and I/we further authorize the Acquirers to return to me / us in the demat account/ share certificate(s) in respect of which the Open Offer is not found valid/not accepted without specifying the reasons thereof. I/We further agree to receive a single share certificate for the unaccepted equity shares in physical form.

In case of demat shareholders, I/We note and understand that the equity shares would be kept in the pool account of my/our broker and the lien will be marked by Clearing Corporation until the Settlement Date whereby the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer. In case of physical shareholders, I/We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration as mentioned in the Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are returned to the shareholders, as the case may be.

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

I/We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided/to be provided by me/us, I/we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information/documents that may be necessary and co-operate in any proceedings before any income tax/apellate authority.

**For NRIs/OCBs/ FIIs and sub-accounts/other non-resident Shareholders:**

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

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

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

FDI Route / PIS Route / Any Other (Please Specify):

I/We confirm that the equity shares tendered by me/us are held on (√ whichever is applicable):

Repatriable basis / Non-repatriable basis

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

No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the equity shares are held under general permission of the RBI.

Copies of all approvals required by me for holding equity shares that have been tendered in this Offer are enclosed herewith Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith.

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

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

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

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

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

Yours faithfully,  
Signed and Delivered:

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

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

Place:

Date:

## INSTRUCTIONS

- i. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.
- ii. The Form of Acceptance cum Acknowledgement should be filled-up in English only.
- iii. Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
- iv. **Mode of tendering the Equity Shares Pursuant to the Offer:**
  - (i) The acceptances of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder MIFL.
  - (ii) Shareholders of MIFL to whom this Offer is being made, are free to Offer his / her / their shareholding in MIFL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

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

### Acknowledgement slip

**Subject:** Open Offer by Yatin Gupte (“Acquirer 1”), Sojan Avirahan (“Acquirer 2”), R.Venkata Ramana (“Acquirer 3”) Garuda Mart India Private Limited (“Acquirer 4”) and Wardwizard Solutions India Private Limited (“Acquirer 5”) (hereinafter collectively referred to as “Acquirers”) to the Shareholders of Mangalam Industrial Finance Limited (hereinafter referred to as “Target Company” Or “MIFL”) to acquire from them upto 25,00,27,310 Equity Shares of Re. 1/- each representing 26% of the Equity and Voting Share Capital of MIFL @ Re. 0.50 per fully paid-up equity share

### **For Physical Shares**

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

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

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

### **For Demat Shares**

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

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

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

Stamp of Collection Centre	Signature of Official	Date of Receipt

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

### **Purva Sharegistry (India) Private Limited**

#### **Unit: Mangalam Industrial Finance Limited – Open Offer**

9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,

Opp. Kasturba Hospital Lane, Lower Parel (E),

Mumbai – 400011, Maharashtra

Tel: 022 2301 2518 / 8261

Email/ Investor Grievance E-mail: [support@purvashare.com](mailto:support@purvashare.com)

Website: [www.purvashare.com](http://www.purvashare.com)

Contact Person: Ms. Deepali Dhuri