

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (as defined below) is being sent to you as a Public Shareholder (as defined below) of Daikaffil Chemicals India Limited (“**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Open Offer (as defined below) or Registrar to the Open Offer (as defined below). In case you have recently sold your Equity Shares (as defined below) in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement and Transfer Deed to the Member of the Stock Exchange (as defined below) through whom the said sale was effected.

OPEN OFFER (“OPEN OFFER”)

BY

MIKUSU INDIA PRIVATE LIMITED (“Acquirer”)

Registered Office at 2nd Floor, A Wing, Fortune Avirahi Jain Derasar Lane, Borivali, Mumbai -400092,
Maharashtra, India;

(CIN: U24299MH2022PTC380276)

Phone No. 022- 5070 5050 **Fax:** Not Available

ALONGWITH

HERANBA INDUSTRIES LIMITED (“PAC”)

Registered Office: Plot No. 1504/1505/1506/1 GIDC, Phase-III, Vapi, Valsad-396195, Gujarat, India

CIN: L24231GJ1992PLC017315

Phone No. 022 -5070 2912 **Fax:** Not Available

MAKE A CASH OFFER TO ACQUIRE UP TO 15,60,000 (FIFTEEN LAKHS SIXTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF INR 10/- (INDIAN RUPEES TEN) EACH (“OFFER SHARES”) AT A PRICE OF INR 38.72/- (INDIAN RUPEES THIRTY EIGHT AND PAISA SEVENTY TWO ONLY) PER EQUITY SHARE (“OFFER PRICE”), REPRESENTING 26% (TWENTY-SIX PER CENT) OF THE EQUITY AND VOTING SHARE CAPITAL (AS DEFINED BELOW) IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO (“SEBI (SAST) REGULATIONS”) FROM THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW)

OF

DAIKAFFIL CHEMICALS INDIA LIMITED (“Target Company”)

Registered Office: E-4, M.I.D.C. Tarapur, Boisar, Thane- 401506, Maharashtra, India

CIN: L24114MH1992PLC067309

Phone No. 022- 6101 6699 **Fax:** Not Available

Website: <https://www.daikaffil.com/>

Note:

1. This Open Offer is made pursuant to and in compliance with the provisions of Regulation 3(1) and Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. This Open Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. NRI (as defined below) and OCB (as defined below) holders of Equity Shares, if any, willing to tender their Equity Shares in this Open Offer, must obtain all requisite approvals required to tender the Equity Shares held by them in this Open Offer (including, without limitation, approval from the RBI (as defined below), or any other relevant statutory or regulatory authority, as may be applicable, and submit copies of such approvals, along with the Form of Acceptance-cum-Acknowledgement and other documents required in terms of this Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FPIs (as defined below)), willing to tender their Equity Shares in this Open Offer, had required any approvals (including from the RBI, the FIPB (as defined below) or any other regulatory/statutory authority) in respect of the Equity Shares held by them at the time of original investment, they will be required to submit

- copies of such previous approvals, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Open Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on a repatriable or a non-repatriable basis.
5. To the best of the knowledge of the Acquirer and the PAC, there are no statutory approval(s) required to complete the Underlying Transaction and this Open Offer. However, if any statutory approval(s) are required or become applicable at a later date before the completion of this Open Offer, this Open Offer would be subject to the receipt of such statutory approvals(s). In the event such statutory approval(s) are refused, and /or conditions present in the Share Purchase Agreement are not met (unless waived off in accordance with the Share Purchase Agreement) the Acquirer and the PAC will have the right to withdraw this Open Offer in accordance with Regulation 23 (1) of the SEBI (SAST) Regulations. In the event of such a withdrawal of the Open Offer, the Acquirer and the PAC (through Manager to the Open Offer) shall make an announcement of such withdrawal within 2 (two) Working days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
 6. The Offer Price may be subject to upward revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PAC at any time prior to the commencement of the last one (1) Working Day before the commencement of the Tendering Period (as defined below), in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall: (i) make corresponding increase to the Escrow Amount; (ii) make a public announcement in the same newspapers in which the DPS (as defined below) was published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, BSE Limited, and the Target Company at its registered office, of such revision. The same price shall be payable by the Acquirer and the PAC for all the Equity Shares tendered anytime during the Open Offer.
 7. **There has been no competing offer as on date of this Letter of Offer (“LOF” or “Letter of Offer”).**

A copy of the Public Announcement (as defined below), the Detailed Public Statement (as defined below) are available and copy of this Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) are expected to be available on the website of SEBI (www.sebi.gov.in).

MANAGER TO THE OPEN OFFER	REGISTRAR TO THE OPEN OFFER
 <p><small>Your success is our success</small></p> <p>EMKAY GLOBAL FINANCIAL SERVICES LIMITED</p> <p>7th floor, The Ruby Senapati Bapat Marg, Dadar (West), Mumbai -400028, Maharashtra, India.</p> <p>CIN: L67120MH1995PLC084899 Contact Person: Mr. Deepak Yadav/ Ms. Pooja Sarvankar Phone No.: +91-22 66121212 Email: dcil.openoffer@emkayglobal.com Website: www.emkayglobal.com SEBI Registration No.: INM000011229</p>	 <p>LINK INTIME INDIA PRIVATE LIMITED</p> <p>C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India.</p> <p>CIN: U67190MH1999PTC118368 Contact Person: Ms. Pradnya Karanjekar Phone Number: +91 810 811 4949 Fax: +91 22 49186060 Email: dcil.offer@linkintime.co.in Investor Grievance E-mail: dcil.offer@linkintime.co.in Website: www.linkintime.co.in SEBI Registration No.: INR000004058</p>

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OPEN OFFER

Sr. No.	Tentative Activity Schedule	Schedule of Activities (Date and Day) #	Revised Schedule of Activities
1.	Issue of Public Announcement	Wednesday, November 8, 2023	Wednesday, November 8, 2023
2.	Publication of the Detailed Public Statement in the newspapers	Wednesday, November 15, 2023	Wednesday, November 15, 2023
3.	Last date for filing the Draft Letter of Offer with SEBI	Tuesday, November 21 ,2023	Tuesday, November 21 ,2023
4.	Last date for public announcement for competing offer(s)	Wednesday, December 6, 2023	Wednesday, December 6, 2023 @
5.	The last date for receipt of observations from SEBI on Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Open Offer)	Wednesday, December 13, 2023	Wednesday, January 24, 2024 [§]
6.	Identified Date*	Thursday, December 14, 2023	Thursday, January 25 2024
7.	Last date for dispatch of the Letter of Offer to the Public Shareholders of the Target Company whose names appear on the register of members on the Identified Date	Thursday, December 21, 2023	Monday, February 5, 2024
8.	Last date for publication of the recommendations of the committee of the independent directors of the Target Company to the Public Shareholders for this Open Offer in the newspapers	Tuesday, December 26, 2023	Tuesday, February 6, 2024
9.	Last date for upward revision of the Offer Price and/or the Offer Size	Tuesday, December 26, 2023	Wednesday, February 7, 2024
10.	Last date of publication of opening of Offer Public Announcement in the newspapers	Wednesday, December 27, 2023	Thursday, February 8, 2024
11.	Date of commencement of Tendering Period	Friday, December 29, 2023	Friday, February 9, 2024
12.	Date of closing of Tendering Period	Thursday, January 11, 2024	Friday, February 23, 2024
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Wednesday, January 24, 2024	Thursday, March 7, 2024
14.	Last date for publication of post-Open offer Public Announcement in the newspapers in which the Detailed Public Statement was published	Tuesday, January 30, 2024	Wednesday, March 13, 2024

The original schedule of activities was indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations).

@ There has been no competing offer.

§ Actual date of receipt of SEBI observations.

*Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent in accordance with the SEBI (SAST) Regulations. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in this Open Offer any time during the Tendering Period.

RISK FACTORS

The risk factors set forth below pertain to this Open Offer, the Underlying Transaction contemplated under the Share Purchase Agreement and association with the Acquirer and the PAC, and do not pertain to the present or future business or operations of the Target Company or any other related matters. These risk factors are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by a Public Shareholder in the Open Offer, or in association with the Acquirer and the PAC, but are merely indicative. Public Shareholders are advised to consult their legal advisor, stock broker and investment consultant and/ or tax advisors, for analyzing all the risks with respect to their participation in this Open Offer.

For capitalized terms used hereinafter, please refer to the ‘Definitions’ set out below:

A. RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION AND THE OPEN OFFER

1. The Open Offer involves an offer to acquire up to 26% of the existing Equity and Voting Share Capital of the Target Company from the Public Shareholders for the Open Offer. In the case of over subscription in the Open Offer, acceptance would be determined on a proportionate basis, subject to acquisition of a maximum of 15,60,000 Equity Shares and hence there is no certainty that all the shares tendered by the shareholders in the Open Offer will be accepted. The lien marked against the unaccepted Equity Shares tendered by the Public Shareholders shall be released in accordance with the schedule of activities for the Open Offer.
2. To the best of the knowledge of the Acquirer and the PAC, there are no statutory approval(s) required to complete the Underlying Transaction and this Open Offer. However, if any statutory approval(s) are required or become applicable at a later date before the completion of this Open Offer, this Open Offer would be subject to the receipt of such statutory approvals(s). In the event such statutory approval(s) are refused, and /or conditions present in the Share Purchase Agreement are not met (unless waived off in accordance with the Share Purchase Agreement) the Acquirer and the PAC will have the right to withdraw this Open Offer in accordance with Regulation 23 (1) of the SEBI (SAST) Regulations. In the event of such a withdrawal of the Open Offer, the Acquirer and the PAC (through Manager to the Open Offer) shall make an announcement of such withdrawal within 2 (two) Working days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.
3. In the event that (a) there is any litigation leading to a “stay” of the Open Offer, or (b) SEBI instructing the Acquirer not to proceed with the Open Offer, and then the Open 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 whose Equity Shares are validly tendered and accepted under this Open Offer as well as the return of Equity Shares not validly tendered and not accepted under this Open Offer, may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Open Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI.
4. All Public Shareholders including resident or non-resident shareholders (including NRIs, OCBs and FPIs) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Open Offer and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Offer Shares.

5. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Open Offer is not directed towards any person or entity in any jurisdiction or country where the Open Offer would be contrary to the applicable laws or regulations or would subject the Acquirer, PAC or the Manager to the Open Offer to any new or additional registration requirements.
6. As per Regulation 18(9) of SEBI (SAST) Regulations, 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 Open Offer and dispatch of consideration gets delayed.
7. Since the Acquirer has entered into the SPA to acquire voting rights in excess of 25% of the Equity and Voting Share Capital of the Target Company, accompanied with control, this Open Offer is being made under Regulation 3(1) and 4 of the SEBI (SAST) Regulations. Upon consummation of the Underlying Transaction contemplated in the SPA and post transfer of Equity Shares of the Underlying Transaction, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Upon sale of the entire shareholding of the Promoter Sellers in the Target Company pursuant to the Share Purchase Agreement, the Promoter Sellers and the other members of the Promoter and Promoter Group are desirous that they will cease to be members of the promoter and promoter group of the Target Company in accordance with the applicable law. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.
8. The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the Open Offer, or in respect of other aspects, such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer/ the PAC do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.
9. The Acquirer, PAC and the Manager to the Open Offer accept no responsibility for statements made otherwise than in the PA, the DPS, the DLOF, this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the PAC, excluding such information pertaining to the Target Company, which has been obtained from publicly available sources or provided or confirmed by the Target Company. Any person placing reliance on any other source of information will be doing so at his/her/its own risk.
10. The information mentioned in the PA, DPS, DLOF and this Letter of Offer has been sourced from information received or provided by the Sellers or publicly available sources.
11. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Open Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, the PAC or the Manager to the Open Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in, any foreign jurisdictions and cannot be accepted by any means or instrumentality from within any such foreign jurisdictions.

B. RISK FACTORS RELATING TO THE ACQUIRER AND THE PAC

1. The Acquirer, PAC or the Manager to the Open Offer make no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Open Offer.
2. The Acquirer, PAC or the Manager to the Open Offer makes no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer, PAC or the Manager to the Open Offer makes no assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Open Offer.

4. The Acquirer, PAC or the Manager to the Open Offer accepts no responsibility for statements pertaining to the Target Company or the Sellers; made otherwise than in the PA, DPS, Draft Letter of Offer, this Letter of Offer and anyone placing reliance on any other source of information, would be doing so at his / her / their own risk.
5. As per Regulation 38 of the SEBI (LODR) Regulations read together with Rules 19(2) and 19A of the Securities Contract (Regulations) Rules, 1957 (“SCRR”), the Target Company is required to maintain at least 25% (twenty-five percent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the acquisition of Equity Shares pursuant to the Transaction, the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer and the PAC will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR (“**MPS Requirements**”) in compliance with applicable laws

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

CURRENCY OF PRESENTATION

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

Table of Contents

I. DEFINITIONS	8
II. DISCLAIMER CLAUSE.....	10
III. DETAILS OF THE OPEN OFFER.....	11
IV. BACKGROUND OF MIKUSU INDIA PRIVATE LIMITED (“ACQUIRER”)	16
V. BACKGROUND OF HERANBA INDUSTRIES LIMITED (“PAC”)	24
VI. INFORMATION ABOUT THE SELLERS (i.e PROMOTER SELLERS AND OTHER SELLING SHAREHOLDERS UNDER THE SPA).....	31
VII. BACKGROUND OF THE TARGET COMPANY	36
VIII. OFFER PRICE AND FINANCIAL ARRANGEMENTS	41
IX. TERMS AND CONDITIONS OF THE OPEN OFFER.....	43
X. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER	47
XI. DOCUMENTS FOR INSPECTION.....	61
XII. DECLARATION BY THE ACQUIRER AND THE PAC	62
FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT	63

I. DEFINITIONS

TERM	DESCRIPTION
Acquirer	Mikusu India Private Limited
AOA	Articles of Association
Board	Board of Directors of Acquirer or the PAC or the Target Company, as the case may be
BSE	BSE Limited
Buying Broker	Emkay Global Financial Services Limited
Completion Date	Date on which sale of Seller Shares by the Sellers to the Acquirer shall take place
CIN	Corporate Identification Number
Detailed Public Statement /DPS	Detailed Public Statement dated November 14, 2023, which was published in newspaper, issued by the Manager to the Open Offer, on behalf of the Acquirer and the PAC, in compliance with the SEBI (SAST) Regulations
Draft Letter of Offer/ DLOF	Draft Letter of Offer dated November 21, 2023, as filed with SEBI
Escrow Account	The account named "Mikusu India Private Limited Escrow Account" opened with the Escrow Agent in accordance with Regulation 17 of the SEBI (SAST) Regulations
Escrow Agent	IndusInd Bank Limited, a banking company incorporated under the provisions of Companies Act, 1956, having its Registered office at 2401, Gen Thimmayya Road, Contonment NA, Pune-411001, Maharashtra, India and acting through its branch office at 11 th floor, Tower 1, One World Centre, 841, S.B. Marg, Elphinstone Road, Mumbai- 400013, Maharashtra, India.
EGM	Extra Ordinary General Meeting
EPS	earnings per share
Equity Share(s)/ Share(s)	Each fully paid-up equity share of the Target Company, having face value of INR 10/- (Indian Rupees Ten Only) each
Equity Share & Voting Capital	Total equity and voting share capital of the Target Company on a fully diluted basis as of the 10 th working day from the closure of the Tendering Period of the Open Offer
Form of Acceptance	Form of Acceptance cum Acknowledgement, which shall accompany the Letter of Offer.
FEMA	The Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended or modified from time to time
Identified Date	10 th (Tenth) Working Day prior to commencement of the Tendering Period for purpose of determining the Public Shareholders to whom the LOF shall be sent (i.e. Thursday, January 25, 2024)
Listing Agreement	Listing agreement as entered by the Target Company with the BSE
Letter of Offer/LOF	Letter of Offer to be issued to Public Shareholders in connection with this Open Offer.
Manager to the Open Offer/ Merchant Banker	Emkay Global Financial Services Limited
NRIs	Non-resident Indians
NSE	National Stock Exchange of India Limited
OCBs	Overseas corporate bodies
Open Offer	Open Offer for acquisition of up to 15,60,000 (Fifteen Lakhs Sixty Thousand) fully paid Equity Shares, representing 26% of the total Equity and Voting Share Capital of the Target Company, from the Public Shareholders of the Target company for cash at a price of INR 38.72/- (Indian Rupees Thirty Eight and Paise Seventy Two Only) per Equity Share by the Acquirer along with the PAC, for the purpose of the open offer pursuant to and in compliance of the SEBI (SAST) Regulations
Offer Price	INR 38.72/- (Indian Rupees Thirty Eight and Paise Seventy Two Only) per Equity Share
Offer Period	The period between the date of entering into an agreement, formal or informal, to acquire shares, voting rights in, or control over a target company requiring a public announcement, and the date on which the payment of consideration to shareholders who have accepted the Open Offer is made, or the date on which Open Offer is withdrawn, as the case may be
Offer Shares	15,60,000 (Fifteen Lakh Sixty Thousand) Equity Shares

TERM	DESCRIPTION
Offer Size	15,60,000 (Fifteen Lakhs Sixty Thousand) Equity Shares constituting upto 26% (Twenty Six Percent) of the Equity and Voting Share Capital, at a price of INR 38.72/- (Indian Rupees Thirty Eight and Paisa Seventy Two Only) per Offer Share aggregating to a total consideration of up to INR 6,04,03,200/- (Indian Rupees Six Crores Four Lakhs Three Thousand and Two Hundred Only) (assuming full acceptance)
Other Selling Shareholders	Mihir Vinodchandra Sonawala, Monica Nimish Patel and C.C.M. (Luxembourg) S.A.
Other Selling Shareholder Shares	10,38,700 (Ten Lakhs Thirty-Eight Thousand Seven Hundred) Equity Shares constituting up to 17.31% (Seventeen point Three Two per cent) of the Equity and Voting Share Capital
Public Announcement/PA	Public Announcement dated November 8, 2023, issued by the Manager to the Open Offer, on behalf of the Acquirer and PAC, in connection with the Open Offer
PAT	Profit After Tax
Persons Acting in Concert/PAC	Heranba Industries Limited, a public limited company incorporated on March 17, 1992, under the Companies Act, 1956
Promoter Sellers	The existing promoters and members of the promoter group of the Target Company namely being, Amit Jayant Patel, Aditya Amit Patel, Nitin Prabhudas Bhagat, Amit Jayant Patel HUF, Mita Bhagat, Dhvani Aditya Patel, Aditya A. Patel HUF, Aruna Vinodchandra Merchant and Caffil Private Limited
Promoter Seller Shares	18,71,019 (Eighteen Lakhs Seventy-One Thousand and Nineteen) Equity Shares constituting up to 31.19% (Thirty One point one nine percent) of the Equity and Voting Share Capital of the Target Company
Public Shareholders	All the public shareholders of the Target Company who are eligible to tender their shares in the Open Offer, other than the Acquirer; PAC, Promoter Sellers and Other Selling Shareholders and persons deemed to be acting in concert with the Acquirer and the PAC, pursuant to and in compliance with the SEBI (SAST) Regulations
RBI	Reserve Bank of India
Registrar to the Open Offer	Link Intime India Private Limited
Registrar of the Target Company	Link Intime India Private Limited
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendment thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto
Sellers	Promoters Sellers and Other Selling Shareholders collectively referred as Sellers
Seller Shares	29,09,719 (Twenty Lakhs Nine Thousand Seven Hundred and Nineteen) Equity Shares constituting up to 48.50% (Forty Eight point five zero percent) of the Equity and Voting Share Capital of the Target Company
Selling Broker	Respective stockbrokers of all the Public Shareholders who desire to tender their Equity Shares under this Open Offer
Stock Exchange(s)	Collectively referred to BSE and NSE
SCRR	Securities Contract (Regulation) Rules, 1957, and subsequent amendment thereto
Share Purchase Agreement/SPA	Share Purchase Agreement dated November 8, 2023
Target Company/ TC	Daikaffil Chemicals India Limited
Tendering Period	Tendering period shall have the same meaning as ascribed to it under the SEBI (SAST) Regulations

II. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE COMPANY WHOSE SHARES/CONTROL IS ACQUIRED/ PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER AND PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OPEN OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER AND PAC DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OPEN OFFER, EMKAY GLOBAL FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 21, 2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.”

General Disclaimer

This Letter of Offer, DLOF, the DPS and the PA in connection with the Open Offer, has been prepared for the purposes of compliance with the provisions of SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the publication of the DPS nor the delivery of this Letter of Offer, under any circumstances, create any implication that there has been no change in the affairs of the Target Company, the Promoter Sellers and Other Selling Shareholders, the Acquirer and the persons deemed to be acting in concert with the Acquirer and the PAC since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirer or any persons deemed to be acting in concert with the Acquirer and the PAC are under any obligation to update the information contained herein at any time after this date.

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

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

III. DETAILS OF THE OPEN OFFER

A. Background of the Open Offer

1. This Open Offer is a mandatory open offer being made by the Acquirer and the PAC in terms of Regulations 3(1) and 4 and other applicable regulations of the SEBI (SAST) Regulations, pursuant to the execution of the Share Purchase Agreement to acquire more than 25% (twenty-five per cent) of the Equity and Voting Share Capital of the Target Company along with control over the Target Company.
2. The Acquirer has entered into a Share Purchase Agreement dated November 8, 2023 with the Promoter Sellers and Other Selling Shareholders ("**Share Purchase Agreement/ SPA**"), pursuant to which the Acquirer has agreed to acquire, 29,09,719 (Twenty Nine Lakhs Nine Thousand Seven Hundred and Nineteen) Equity Shares, which constitutes 48.50% (Forty Eight point five zero percent) of the Equity and Voting Share Capital of the Target Company, for an aggregate consideration of INR 6,98,33,256/- (Indian Rupees Six Crores Ninety Eight Lakhs Thirty Three Thousand Two Hundred and Fifty Six Only), i.e. INR 24/- (Indian Rupees Twenty Four Only) per Equity Share, subject to the statutory approvals, if any and satisfaction of conditions precedent specified in the Share Purchase Agreement (unless waived off in accordance with the Share Purchase Agreement). As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.

The Acquirer wanted to acquire control and consolidate its shareholding in the Target Company for the purpose of setting up a research and development centre and collaborate and partner with multinational companies in agrochemical, pharmaceutical, biopharmaceutical and speciality chemicals. Thus, the Acquirer, approached Promoter i.e. Mr. Amit Jayant Patel for this acquisition. The Promoter of Target Company introduced CCM (Luxembourg) S.A. and Mihir Vinodchandra Sonavala, being the major shareholders of the Target Company with substantial stake in the Target Company. The Acquirer further approached Monica Nimish Patel, who is niece of Amit Jayant Patel, Promoter & Director of the Target Company, since all parties agreed to sell their stake to the Acquirer, a single SPA was executed on November 8, 2023.

Pursuant to acquisition of the aforesaid Equity and Voting Share Capital of the Target Company in terms of the SPA, the aggregate shareholding of the Acquirer in the Target Company has exceeded the threshold limit prescribed under regulation 3(1) of the SEBI (SAST) Regulations.

Since the Acquirer has entered into the SPA to acquire voting rights in excess of 25% (Twenty Five percent) of the Equity and Voting Share Capital of the Target Company, accompanied with control, this Open Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations. Upon consummation of the Underlying Transaction contemplated under the SPA and transfer of Equity Shares of the Underlying Transaction, the Acquirer will have control over the Target Company and the Acquirer will become the promoter of the Target Company, including in accordance with the provisions of the SEBI (LODR) Regulations. Upon sale of the entire shareholding of the Promoter Sellers in the Target Company pursuant to the Share Purchase Agreement, the Promoter Sellers and the other members of the Promoter and Promoter Group are desirous that they will cease to be members of the promoter and promoter group of the Target Company in accordance with the applicable law.

As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.

Other members of the Promoter and Promoter Group who are not part of the SPA are, Kishore Jagjivandas Tanna and Padmanabh Vinodchandra Merchant holding NIL Equity Shares and Surbhi Kishore Tanna holding 250 Equity Shares of the Target Company. They have confirmed through letters dated November 8, 2023 addressed to Target Company, Acquirer and Manager to the Open Offer, to reclassify their shareholding from 'Promoter group' to 'Public' category.

The sale and purchase of Equity Shares under the Share Purchase Agreement (as explained in paragraphs 2 and 3 of this Part A of Section III (Details of the Open Offer) of this Letter of Offer) is referred to as the “**Underlying Transaction**”

3. Details of the **Underlying Transaction** pursuant to the Share Purchase Agreement is set out below:

Details of the Underlying Transaction						
Type of Transaction (Direct/ Indirect)	Mode of Transaction* (Agreement/ Allotment/ market purchase)	Equity Shares / Voting rights acquired/ proposed to be acquired		Total consideration for Equity Shares/voting rights acquired (INR)	Mode of payment (Cash/ Securities)	Regulations which have triggered
		Number	% vis-à-vis Voting Share Capital			
Direct	Share Purchase Agreement - The Acquirer has entered into a share purchase agreement dated November 8, 2023 with the Promoter Sellers and Other Selling Shareholders pursuant to which the Acquirer has agreed to acquire from the Promoter Sellers and Other Selling Shareholders of the Target Company, 29,09,719 (Twenty Nine Lakhs Nine Thousand Seven Hundred and Nineteen) Equity Shares, which constitutes 48.50% (Forty Eight point five zero percent) of the Equity and Voting Share Capital of the Target Company, for an aggregate consideration of INR 6,98,33,256/- (Indian Rupees Six Crores Ninety Eight Lakhs Thirty Three Thousand Two Hundred and Fifty Six Only), i.e. INR 24/- (Indian Rupees Twenty Four Only) per Equity Share subject to terms and conditions set out in the SPA, including fulfilment of conditions precedent by the Target Company and/or Sellers (including any statutory approvals, if any)	29,09,719	48.50%	INR 6,98,33,256/- (Indian Rupees Six Crores Ninety Eight Lakhs Thirty Three Thousand Two Hundred and Fifty Six Only)	Cash	Regulations 3(1) & 4 of the SEBI (SAST) Regulations

**Note upon completion of the above transaction, the Acquirer will be in control of the Target Company.*

As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.

4. The primary object of this acquisition is for the Acquirer to set up a research and development centre and collaborate and partner with multinational companies in agrochemical, pharmaceutical, biopharmaceutical and speciality chemicals.
5. The sale and purchase of the Seller Shares by the Promoter Sellers and Other Selling Shareholders is in accordance with the SPA and are subject to satisfaction or waiver of conditions precedent in the SPA.
6. The sale of the Seller Shares to the Acquirer is completed on mutually agreed date between the parties after 21 working days from the publication of the Detailed Public Statement has expired and the Acquirer has deposited 100% (Hundred percent) of the Open Offer consideration in the Escrow Account. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.
7. The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the DPS and the Letter of Offer to be dispatched to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.
8. The current and proposed (post-Offer) shareholding of the Acquirer and the PAC in the Target Company are as follows:

Details	Acquirer		PAC	
	No. of Equity Shares	%	No. of Equity Shares	%
Shareholding as on the date of the Public Announcement	Nil	Nil	Nil	Nil
Equity Shares acquired between the date of the Public Announcement and the date of the Detailed Public Statement	Nil	Nil	Nil	Nil
Shareholding as on the date of the Detailed Public Statement	Nil	Nil	Nil	Nil
Post Offer shareholding as of the 10 th working day after the Tendering Period (assuming full acceptance of the Open Offer)	15,60,000*	26% of the Equity and Voting Share Capital	Nil	Nil

**Pursuant to the Underlying Transaction and subject to compliance with Regulation 22(2) of the SEBI (SAST) Regulations, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) Equity Shares as on the date of the Letter of Offer aggregating to 48.48% (Forty Eight point four eight percent) of the Equity and Voting Share Capital of the Target Company such that post completion of the Underlying Transaction and Open Offer (assuming full acceptance in Open Offer), the total shareholding of the Acquirer will be up to 44,69,719 (Forty Four Lakhs Sixty Nine Thousand Seven Hundred and Nineteen) Equity Shares representing 74.50% of the Equity and Voting Share Capital of the Target Company. 1000 Equity Shares held by Mr. Mihir Vinodchandra Sonawala are yet to be acquired by the Acquirer.*

9. As on the date of this Letter of Offer, neither the Acquirer nor the PAC have any shareholding in the Target Company, other than as described in paragraph 14 of Part A of Section III (Details of the Open Offer) of this Letter of Offer.
10. In terms of Regulation 18(2) of the SEBI (SAST) Regulations, the LOF will be issued within 7 (Seven) Working Days from the date of receipt of SEBI observations on the DLOF.
11. The Acquirer and the PAC have not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any regulations made under the SEBI Act.

12. In accordance with Regulation 26(6) and 26(7) of the SEBI (SAST) Regulations, the committee of independent directors formulated by the board of directors of the Target Company is required to provide their written reasoned recommendations on the Open Offer to the Public Shareholders and such recommendations are required to be published in the specified form at least two (2) Working Days before the commencement of the Tendering Period, in the same newspapers in which the DPS was published.
13. None of the directors of the Acquirer and/or PAC are on the board of directors of the Target Company. The Acquirer and/or PAC have not nominated any director on the board of directors of the Target Company.
14. Material updates on Underlying Transaction
 - i. In accordance with Regulation 22(2) of the SEBI (SAST) Regulations, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.
 - ii. The above acquisition has been duly intimated to the Stock Exchange in accordance with the SEBI (SAST) Regulations and the SEBI (LODR) Regulations.
 - iii. As on the date of this Letter of Offer, the Board of the Target Company has not been re-constituted by the Acquirer.
 - iv. The Acquirer has paid the consideration to the Sellers, except to the extent of 1000 Equity Shares to Mihir Vinodchandra Sonawala.
 - v. As on the date of this Letter of Offer, the members of the Promoter group of the Target Company have not been reclassified.

B. Details of the Proposed Open Offer

1. The Public Announcement in connection with the Open Offer under Regulations 3(1) and 4 read together with Regulations 13(1) and Regulation 14(1) of the SEBI (SAST) Regulations was filed on November 8, 2023 with BSE. The Public Announcement was sent to the Target Company and SEBI vide letter dated November 8, 2023.
2. The Detailed Public Statement dated November 14, 2023 was published in the following newspapers, in accordance with the provisions of Regulation 14 (3) of the SEBI (SAST) Regulations:

Publication	Language	Edition
Financial Express	English	Published in all editions on November 15, 2023, except Mumbai, Bangalore, Pune, and Ahmedabad. Published on November 16, 2023 in Mumbai and Bangalore editions. November 17, 2023 in Pune edition; and November 18, 2023 in Ahmedabad edition.
Jansatta	Hindi	Published in all editions on November 15, 2023
Navshakti	Marathi	Published on November 16, 2023

Simultaneously, a copy of the Detailed Public Statement was sent through the Manager to the Open Offer to: (i) SEBI; (ii) BSE; and (iii) the Target Company.

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in

3. The Acquirer and the PAC propose to acquire from the Public Shareholders up to 15,60,000 (Fifteen Lakhs Sixty Thousand) Equity Shares, representing 26% of the Equity and Voting Share Capital of the Target Company at a price of INR 38.72/- (Indian Rupees Thirty Eight and Paise Seventy Two Only) per Equity Share, aggregating to an amount of INR 6,04,03,200/- (Indian Rupees Six Crores Four Lakhs Three Thousand and Two Hundred Only) payable in cash, in accordance with the provisions of

Regulation 9 (1) (a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement and this Letter of Offer.

4. As of the date of this Letter of Offer, there are no partly paid-up Equity Shares of the Target Company or convertible instruments (including warrants/ fully convertible securities/ partially convertible securities and employee stock options) issued by the Target Company.
5. There is no differential price for the Equity Shares under the Open Offer.
6. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competing offer as of the date of this Letter of Offer.
7. The Acquirer and the PAC has not acquired any Equity Shares during the period of 52 (Fifty Two) weeks prior to the date of the PA. Further, the Acquirer has not purchased any Equity Shares from the date of the Public Announcement to the date of this Letter of Offer, other than as described in paragraph 14 of Part A of Section III (Details of the Open Offer) of this Letter of Offer.
8. The Open Offer is not subject to any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
9. To the best of the knowledge of the Acquirer and the PAC, there are no statutory approval(s) required to complete the Underlying Transaction and this Open Offer. However, if any statutory approval(s) are required or become applicable at a later date before the completion of this Open Offer, this Open Offer would be subject to the receipt of such statutory approvals(s). In the event such statutory approval(s) are refused, and /or conditions present in the Share Purchase Agreement are not met (unless waived off in accordance with the Share Purchase Agreement) the Acquirer and the PAC will have the right to withdraw this Open Offer in accordance with Regulation 23 (1) of the SEBI (SAST) Regulations. In the event of such a withdrawal of the Open Offer, the Acquirer and the PAC (through Manager to the Open Offer) shall make an announcement of such withdrawal within 2 (two) Working days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company.
10. The Manager to the Open Offer does not hold any Equity Shares as of the date of this Letter of Offer. The Manager to the Open Offer further declares and undertakes not to deal on its own account in the Equity Shares during the Offer Period, in terms of Regulation 27(6) of SEBI (SAST) Regulations. The Manager to the Open Offer as a regular practice in such transactions has put in place a system of grey list, which will help in the compliance of obligations in terms of the Regulation 27(6) of SEBI (SAST) Regulations.
11. The Offer Price has been arrived in accordance with Regulation 8(2) of the SEBI (SAST) Regulations. Assuming full acceptance of the Open Offer, the total consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations will be INR 6,04,03,200/- (Indian Rupees Six Crores Four Lakhs Three Thousand Two Hundred Only).
12. An upward revision in the Offer Price or to the Offer Size of this Open Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 1 (One) Working Day before the commencement of the Tendering Period in accordance with the provisions of Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the Newspapers in which the DPS is published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE, and the Target Company at its registered office of such revision.
13. The Open Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of Equity Shares or Voting Rights in, the Target Company.

14. The Acquirer and the PAC has not acquired any Equity Shares in the Target Company after the date of PA i.e. November, 8, 2023, up to the date of this Letter of Offer, other than as described in paragraph 14 of Part A of Section III (Details of the Open Offer) of this Letter of Offer.
15. The Open Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirer from time to time in this regard.

C. Objects of the Open Offer:

1. This Open Offer is being made to the Public Shareholders of Target Company pursuant to and in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations. Upon consummation of the Underlying Transaction contemplated in the SPA and post successful completion of the Open Offer, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations. Upon sale of the entire shareholding of the Promoter Sellers in the Target Company pursuant to the Share Purchase Agreement, the Promoter Sellers and the other members of the Promoter and Promoter Group are desirous that they will cease to be members of the promoter and promoter group of the Target Company in accordance with the applicable law. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company
2. The primary object of this acquisition is for the Acquirer to set up a research and development centre and collaborate and partner with multinational companies in agrochemical, pharmaceutical, biopharmaceutical and speciality chemicals.
3. The Acquirer and the PAC shall re-constitute the Board of Directors of the Target Company on a date notified by the Acquirer in writing to the Sellers which shall be after the completion of 21 (Twenty One) working days from the publication of the DPS and consummation of the Underlying Transaction contemplated in the SPA.
4. In terms of Regulation 25(2) of SEBI (SAST) Regulations, as at the date of this Letter of Offer, the Acquirer and the PAC do not have any plans to dispose of or otherwise encumber any material assets of the Target Company in the next 2 (two) years, except: (i) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business requirements); or (ii) with the prior approval of the shareholders of the Target Company; or (iii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or business of the Target Company, or (iv) in accordance with the prior decision of board of directors of the Target Company.
5. Post-completion of acquisition of Offer Shares as contemplated under this Open Offer and pursuant to the transfer of Seller Shares as contemplated under the Share Purchase Agreement, the Acquirer shall hold majority of the Equity Shares of the Target Company by virtue of which they will be in a position to exercise effective management and control over the Target Company.

IV. BACKGROUND OF MIKUSU INDIA PRIVATE LIMITED (“ACQUIRER”)

1. The Acquirer is Private Limited Company registered under the Companies Act, 2013, having its Registered Office at 2nd Floor, A Wing, Fortune Avirahi Jain Derasar Lane, Borivali, Mumbai, 400092, Maharashtra, India. It was incorporated on April 9, 2022 (CIN: U24299MH2022PTC380276).
2. The contact details of the Acquirer are: Telephone No.: 022- 5070 5050.
3. The Acquirer is primarily engaged in the business of agro-chemical products.
4. There has been no change in the name of Acquirer since its incorporation.
5. The Acquirer is part of the Heranba group.
6. The Acquirer is a wholly owned subsidiary of Heranba Industries Limited (“Persons acting in concert/ PAC”).

7. The present authorised share capital of the Acquirer is INR 10,00,000/- (Indian Rupees Ten Lakhs Only) divided into 1,00,000 (One Lakh) Equity Shares of INR 10/- (Indian Rupees Ten Only) each. The paid share capital of the Acquirer is INR 5,00,000/- (Indian Rupees Five Lakhs Only) divided into 50,000 (Fifty Thousand) equity shares of INR 10/- (Indian Rupees Ten Only) each.
8. The shareholding of the promoter/promoter group of the Acquirer is as follows as on December 31, 2023:

Sr. No.	Name of the Promoter/Promoter Group	No. of shares	%
1.	Heranba Industries Limited	49,998	100%
2.	Sadashiv Kanayana Shetty*	1	Negligible
3.	Raghuram Kanayan Shetty*	1	Negligible
	TOTAL	50,000	100%

*The Ultimate beneficial ownership of Heranba Industries Limited is held by Sadashiv Kanayana Shetty and Raghuram Kanayan Shetty. Sadashiv Kanyana Shetty and Raghuram Kanyan Shetty hold shares in Mikusu India Private Limited as Nominee of Hernaba Industries Limited.

9. The shareholding pattern of the Acquirer as of December 31, 2023, is as follows:

Sr. No.	Shareholders' Category	No. of Shares	%
1.	Promoter/ Promoter Group	50,000	100
2.	FII/ Mutual Funds/ FIs/Banks	Nil	Nil
3.	Public	Nil	Nil
	TOTAL	50,000	100%

10. The shares of the Acquirer are not listed on any stock exchanges.
11. The Board of Directors of Acquirer comprises of the following members:

Sr. No.	Name and DIN	Designation	Qualification and Experience	Date of Appointment/Re-appointment
1.	Sadashiv Kanyana Shetty DIN: 00038681	Director	Mr. Sadashiv Kanyana Shetty holds a bachelor's (physics and chemistry) and master's (chemistry) degree in science from University of Mysore. He has experience of more than three (3) decades in agrochemicals industry.	April 9, 2022
2.	Raghuram Kanyan Shetty DIN: 00038703	Director	Mr. Raghuram Kanyan Shetty holds a bachelor's degree in economics from University of Mysore. He has pursued government commercial diploma from the Department of Education, Bureau of Government Examinations, Maharashtra. He also has a diploma	April 9, 2022

			in export and import management from the India International Trade Centre, Mumbai. He has experience of more than three (3) decades in agrochemicals industry.	
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12. As on the date of this Letter of Offer, none of the directors of the Acquirer are on the Board of Directors of the Target Company. The Acquirer has not nominated any director on the board of directors of the Target Company.
13. The key financial information of the Acquirer as per the audited financial statements for the year ended as on March 31, 2023 and for the 6 (six) months period ended September 30, 2023, is provided as hereunder:

(INR in Crores)

Statement of Profit & Loss	Period from April 9, 2022 to March 31, 2023	6 months period ended September 30, 2023
	(Audited)	(Unaudited)
Revenue from Operations	16.14	55.94
Other Income	-	0.04
Total Income	16.14	55.98
Total Expenditure	18.35	61.72
Profit before Depreciation, Interest and Tax	(2.21)	(5.74)
Depreciation & Amortization Expenses	0.10	0.06
Finance Cost	0.10	0.62
Profit before Tax	(2.41)	(6.42)
Tax Expenses	0.64	0.97
Profit after Tax	(1.77)	(5.45)

(INR in Crores)

Balance Sheet	Period from April 9, 2022 to March 31, 2023	6 months period ended September 30, 2023
	(Audited)	(Unaudited)
EQUITY AND LIABILITIES		
Shareholder's Fund		
Equity Share Capital	0.05	0.05
Other Equity	(1.77)	(7.24)
Total Equity	(1.72)	(7.19)
Secured Loan	-	-
Unsecured Loan	7.04	15.64
Non-Current Liabilities (excluding borrowings)	0.05	0.12
Current Liabilities (excluding borrowings)	15.87	77.65
Total Equity and Liabilities	21.24	86.22
Net Fixed Assets	0.35	0.31
Investments	-	-

Non-Current Assets (excluding Investments)	0.64	1.61
Current Assets (excluding Investments)	20.25	84.30
Total Assets	21.24	86.22

Other Financial Data	Period from April 9, 2022 to March 31, 2023	6 months period ended September 30, 2023
	(Audited)	(Unaudited)
Dividend (%)	-	-
Earnings Per Share (In INR)	(353.50)	(1091.81)
Book Value Per Share	(343.50)	(1437.15)

Notes:

(1) The key financial information for the financial years ended March 31, 2023, have been extracted from Company's annual reports for financial years 2022-2023 respectively. Figures for the six months ended September 30, 2023 are extracted from the financial results of the company as reviewed by the auditors.

Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775).

The Acquirer has been incorporated on April 9, 2022 and thus the financials are available for the year ended March 31, 2023.

14. As per the Contingent Liabilities Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775) as on March 31, 2023 is Nil.
15. Other than as described in paragraph 14 of Part A of Section III (Details of the Open Offer) of this Letter of Offer, the Acquirer does not hold any Equity Shares or voting rights in the Target Company. Further, other than as described in paragraph 14 of Part A of Section III (Details of the Open Offer) of this Letter of Offer, the Acquirer has not acquired any Equity Shares of the Target Company between the date of the Public Announcement i.e. November 8, 2023 and the date of this Letter of Offer.
16. The Acquirer is not registered with any regulatory authority.
17. There are no statutory approvals required to be obtained by the Acquirer.
18. There are no proceedings pending against the Acquirer under SEBI Act, 1992 and regulations made there under, or by any other Regulator.
19. There are no statutory approvals pending in the name of the Acquirer.
20. Neither the Acquirer nor its promoter or directors have any relationship/ prior association/ association with or interest in the Target Company except for the Underlying Transaction, as detailed in paragraphs 2 and 3 of Part A of Section III (Details of the Open Offer) of this Letter of Offer.
21. The Acquirer does not have any relationship/ association with the Promoter Sellers or public Shareholders of Target Company, except for Nithyanand K. Shetty, who is part of promoter group of PAC and holds 10,000 Equity Shares in the Target Company under the category of "Public Shareholders"
22. Prior to Underlying Transaction as detailed in Section III (Details of the Open Offer) of this Letter of Offer, the Acquirer neither held any Equity Shares in the Target Company nor had it ever made any acquisition of Equity Shares of the Target Company and therefore compliances under Regulation 29, 30 and 31 of the SEBI (SAST) Regulations were not applicable to the Acquirer. The Acquirer has duly complied with its obligations under Regulation 18 and Regulation 29 of the SEBI (SAST) Regulations, in respect of the acquisition as detailed in Section III (Details of the Open Offer) of this Letter of Offer.

23. The Acquirer has not received any complaints in relation to the Open Offer.
24. No penalties have been levied by SEBI / RBI or other regulator against the Acquirer.
25. There are no proceedings pending against the Manager to the Open Offer under SEBI Act, 1992 and regulations made there under, or by any other Regulator.
26. There are no statutory approvals pending in the name of the Manager to the Open Offer.
27. The Manager to the Open Offer has not received any complaints in relation to the Open Offer.
28. No penalties have been levied by SEBI / RBI or other regulator against the Manager to the Open Offer, other than as mentioned below:

Sr. No.	Competent Authority	Regulatory Charges/Findings	Status of Case as on date	Corrective Steps taken by us in respect of observations made by SEBI/Our Reply	Date of Order/communication	Penalty levied/Settlement Charges
1	SEBI	<p>Alleged Failure In Exercising Due Skill, Care & Diligence As Required Under Clause A (2) Of Code Of Conduct For Stock Brokers As Specified Under Regulation 7 Of Sebi (Stock Brokers And Sub Brokers) Regulations, 1992 In Matter Of Aarey Drugs Ltd.</p> <p>(Alleged Indulgence In Creation Of Artificial Market & Price Manipulation Through Synchronised Transactions In Scrip Of Aarey & Pharmaceuticals Ltd.)</p>	CLOSED	<p>We denied all the charges leveled in the Show Cause Notice (SCN) and stated that there has been no violation of Regulation 7 of the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 ("Stock Brokers Regulations ") read with Clause A of the Code of Conduct as specified under Schedule II of the said Stock Brokers Regulations.</p> <p>We had sought a full and complete inspection of all records and documents referred to or relied on by SEBI in the proceedings under the SCN vide its letters dated September 16, 2013 and September 23, 2013. While certain documents were provided by SEBI under the cover of its letter dated September 25, 2013 and partial inspection was provided on November 29, 2013, inspection of several critical records and documents remain pending. An indicative list of documents for which inspection was pending was provided in the our letter to SEBI dated December 9, 2013 .We submitted that in light of the vague and unsubstantiated charges made out in the – SCN and on account of the incomplete inspection, we find itself greatly fettered and is unable to effectively defend itself by responding effectively to the allegations in the SCN in the absence of such records and documents.</p> <p>Emkay denying alleged violations, submitted a Consent Application to SEBI for the sole purpose of settling the matter, without admitting or denying the guilt on its part, to the finding of the fact or conclusion of law, to consider Rs. 11,00,800/- towards settlement charges of the matter. The consent application was</p>	05-06-2015	Rs. 11,00,800/-

				<p>duly accepted by SEBI (Ref No.: A&E/DRK/AKS/15782/2015 dated June 8, 2015 issued by SEBI). Accordingly, a consent order dated June 5, 2015 was passed by SEBI.</p> <p>Further, the consent order was on the basis of without admitting or denying the guilt on the part of the company. However, we would also like to emphasize that as a corrective measures, we have over a period of time developed adequate systems and process and appropriate surveillance and comprehensive risk management policy as well as set up/ structure to alert any kind of market manipulative transactions for our appropriate action. We have adequate systems in place which generates timely suspicious alerts so that immediate action can be taken including issuing clarification seeking letters to clients and informing exchanges proactively as may be applicable/required on case to case basis.</p>		
2	NSE	Disabled Emkay from trading on October 5, 2012, October 8, 2012 & October 9, 2012 for a manifest error resulting into a bonafide erroneous trade.	CLOSED	NSE had disabled Emkay from trading on October 5, 2012, October 8, 2012 & October 9, 2012 for a manifest error resulting into a bonafide erroneous trade done on October 5, 2012 and resumed our trading facilities w.e.f October 10, 2012. A monetary penalty of Rs.32,85,955.20 was imposed.	01-10-2012	Rs. 32,85,955.20 /-
3	SEBI	Passed Sensitive Information To Manish Innani Of Prayas Securities Pvt.Ltd. And Rajeev Shroff Of Emkay Shares & Stock Brokers Pvt.Ltd. Regarding Fii Dealings In Shares Of Bilt	CLOSED	<p>SEBI had inter alia observed vide its Order dated October 1, 2007 that one of Emkay's sub brokers and certain clients, while trading through Emkay in the shares of Ballarpur Industries Ltd (BILT) during the period November 01, 2006 to June 13, 2007 had violated provisions of sec 12 of SEBI Act and certain provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations 1995 and directed Emkay to conduct an internal enquiry and submit an Action Taken Report to SEBI, though Emkay was not a party to the said order.</p> <p>Emkay had appointed a firm of Chartered Accountants to conduct an internal enquiry in to the matter and on 30-10-2007 had submitted to SEBI the enquiry report in the matter. We had informed SEBI that all the trades in the scrip of BILT were carried out by us on behalf of the clients in the ordinary course of business de hors sinister intent or manipulative designs and that the clients had traded independently on their own in the scrip of BILT without Emkay's involvement. Emkay had assured SEBI</p>	01-10-2007	NIL

				that as a responsible market intermediary, it will be our endeavour to continuously upgrade and improve our internal control system and we would continue to maintain high standards of integrity, promptitude and fairness while carrying out our operations.		
4	SEBI	Alleged Failure In Maintaining Integrity, Promptitude And Fairness And Did Not Exercise Due Skill, Care & Diligence Violating Regulation 7 Read With Clauses A (1) And A(2) Of Code Of Conduct Under Schedule Ii Of Sebi (Stock Brokers And Sub Brokers) Regulations, 1992 In Matter Of Asian Star Co.Ltd.	CLOSED	Reached Settlement Vide Consent Order	07-09-2011	Rs. 5,00,000/-
5	SEBI	Minor Operational Irregularities Observed during regular Inspection of Stock Broking Operations of Emkay Global Financial Services Limited	CLOSED	We have duly replied to the adjudicating order issued by the Regulator along with details of compliances ensured. SEBI issued adjudication order dated 25th October 2019 imposing penalty of Rs. 3 Lakhs. The relevant issue is closed as on date. We would like to emphasize that as corrective measures, we have over a period of time developed adequate systems and process and appropriate Compliance Controls in place.	25-10-2019	Rs. 3,00,000/-
6	SEBI	Failure to produce any document in support of the independent verification done in respect of the aggregate production capacities and capacity utilization for the years FY 11, FY 12 and half year ended September 30, 2012 of the facilities of Alok	CLOSED	Third party report in respect of the aggregate production capacities for the years FY 11 and FY 12 of the facilities of Alok Industries Limited in India on standalone basis was available with us however was not asked for by SEBI during its inspection. However, the said documents were duly submitted to you when it was called upon to produce. Further, in respect of the capacity utilization for the years FY 11, FY 12 and half year ended September 30, 2012 of the facilities of Alok Industries Limited in India on standalone basis, we submitted	06-02-2015	NIL

		Industries Limited in India on standalone basis during the inspection, though the documents in support of independent verification done only in respect of production capacities were submitted post inspection.		that the said information was not provided in the draft offer document filed with SEBI as it was not a mandatory requirement to include the same in the offer document. However, pursuant to SEBI observation letter, SEBI had insisted on including the information pertaining to capacity utilization of Alok Industries Limited. Therefore, the said information was included in the offer document based on information provided in the management certificate and largely corroborated by the annual report of the Company.		
7	SEBI	<p><u>Inspection During March, 2013:</u> -</p> <p>1) SEBI through its letter dated 3rd September 2013 sent its observation that “The word ‘Clients’ is not appearing in the title of two Client bank accounts with A/c no.s - 00600140000168 and 00602340028381 maintained with HDFC Bank Ltd in violation of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993.”</p> <p>2) In reply to Emkay’s letter dated 27th September 2013, SEBI further replied vide its letter dated 18th October 2013 that the word “client” is appearing in a HDFC bank A/C no 00600340004258 where character length is 62 and the word “client” is not appearing in client A/C NOS 00600140000168 and 00602340028381</p>	CLOSED	<p>1. The matter was being taken up with HDFC bank as the original nomenclature of accounts did bear the word “Client” as per requirement of the SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993 but still the same is not reflecting in the HDFC system as pointed out by SEBI</p> <p>2. HDFC Bank acknowledged their system constraints through their letter dated 30/08/2013 which was duly submitted to SEBI</p> <p>3. Emkay got HDFC Bank’s system rectified to capture the word client in the A/c Numbers-00600140000168 and 00602340028381</p> <p>Further, we are fully compliant to SEBI circular SMD/SED/CIR/93/23321 dated November 18, 1993.”</p>	Mar-2013	NIL

		maintained with HDFC Bank where the character lengths are 39 and 42 respectively.			
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29. There have been no previous open offers made by the Acquirer to the public shareholders of other companies in the past.
30. Neither the Acquirer nor its promoter or directors have not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
31. Neither the Acquirer, nor its promoter or directors are categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.
32. Neither the Acquirer nor its promoter or directors are categorized/declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018), in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
33. The Acquirer has obtained a Net worth certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775).
34. The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the DPS and the Letter of Offer that will be dispatched to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

V. BACKGROUND OF HERANBA INDUSTRIES LIMITED (“PAC”)

1. The PAC is a public limited company registered with CIN: L24231GJ1992PLC017315. It was originally incorporated as ‘*Heranba Industrial Chemicals Private Limited*’ on March 17, 1992, under the Companies Act, 1956. Subsequently the Company was converted into a public limited company pursuant to approval of shareholders at an extraordinary general meeting held on June 15, 1996 and consequently the name of the company was changed to ‘*Heranba Industrial Chemicals Limited*’ and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Gujarat, Dadar & Nagar Haveli on July 26, 1996. Subsequently, the name was changed to ‘*Heranba Industries Limited*’ and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Gujarat, Dadar & Nagar Haveli on July 26, 1996.
2. The Registered Office of the PAC is situated at Plot No. 1504/1505/1506/1 GIDC, Phase-III, Vapi, Valsad- 396195, Gujarat, India. The Corporate office of the Company is situated at 2nd floor, A Wing, Fortune Avirahi, Jain Derasar Road, Borivali – West, Mumbai- 400092, India.
3. The PAC is primarily engaged in the business of Agro-chemical products.
4. The PAC is part of the Heranba group.
5. The present authorised share capital of the PAC is INR 45,00,00,000/- (Indian Rupees Forty-five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakh) equity shares of INR 10/- (Indian Rupees Ten Only) each. The paid share capital of the PAC is INR 40,01,34,670/- (Indian Rupees Forty Crores One Lakh Thirty-Four Thousand Six Hundred and Seventy Only) divided into 4,00,13,476 (Four Crores Thirteen Thousand Four Hundred and Seventy-Six) equity shares of INR 10/- (Indian Rupees Ten Only) each.
6. The PAC is holding company of the Acquirer.

7. The shareholding of the PAC is as follows as on December 31, 2023:

Sr. No.	Name of the Promoter/Promoter Group	Promoter/ member of Promoter Group / Public	No. of Equity Shares	%
1.	Sadashiv Kanayana Shetty	Promoter	72,01,796	18.00%
2.	Raghuram Kanayan Shetty	Promoter	1,19,11,446	29.77%
3.	Sujata Sadashiv Shetty	Promoter Group	32,30,400	8.07%
4.	Vanita Raghuram Shetty	Promoter Group	20,18,000	5.04%
5.	Raghuram Kanayan Shetty (HUF)	Promoter Group	13,80,000	3.45%
6.	Shreya Sadashiv Shetty	Promoter Group	9,42,500	2.36%
7.	Sams Industries Private Limited	Promoter Group	8,67,288	2.17%
8.	Shriraj Sadashiv Shetty	Promoter Group	8,42,500	2.11%
9.	Raunak Raghuram Shetty	Promoter Group	6,36,250	1.59%
10.	Roshan Raghuram Shetty	Promoter Group	6,36,250	1.59%
11.	Sadashiv Kanayan Pakeera Shetty HUF	Promoter Group	3,20,600	0.80%
12.	Nithyanand K. Shetty	Promoter Group	108	0.00%
13.	Public Shareholding*		1,00,26,329	25.06%

*Shareholders in Public Shareholding holding more than 1% in the Company are as below:

Sr. No.	Name of the Shareholder	No. of Equity Shares	%
	Nil	Nil	Nil

8. The equity shares of the PAC are listed on the BSE (Scrip Code:543266) and NSE (Symbol: HERANBA).

The market price per share of the PAC is as follows:

Particulars	BSE(INR)	NSE (INR)
Date of Public Announcement (November 8, 2023)	360.30	360.40
Date of publication of Detailed Public Statement (November 15, 2023)	359.25	359.20
One working day prior to the date of Draft Letter of Offer (November 20, 2023)	348.80	348.75

(Source: www.bseindia.com and www.nseindia.com)

9. The PAC has received a certificate dated October 25, 2023 from K.C. Suthar & Co., Company Secretaries, wherein it has been confirmed that the Company has complied with the conditions of corporate governance stipulated in the SEBI (LODR) Regulations, as applicable for the year ended

March 31, 2023. Further, the company has submitted the quarterly compliance report on corporate governance wherein it has confirmed compliance, as of December 31, 2023, with corporate governance norms relating to the composition of Board of Directors and various committees (such as audit committee, nomination and remuneration committee etc.) and that meetings of the Board of Directors and the relevant committees have been conducted in the manner specified in SEBI (LODR) Regulations.

10. The Company Secretary and Compliance Officer of the PAC is Mr. Abdul Latif, Telephone number : 91+ 022- 5070 5114, E-mail: abdul@heranba.com.
11. As on the date of the Letter of Offer, none of the directors of the PAC are on the board of directors of the Target Company. The PAC has not nominated any director on the board of directors of the Target Company.
12. As on the date of this Letter of Offer, the PAC has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
13. The Board of Directors of PAC comprises of the following members:

Sr. No.	Name and DIN	Designation	Qualification and Experience	Date of Appointment/Re-appointment
1.	Sadashiv Kanyana Shetty DIN: 00038681	Chairman and Executive Director	Mr. Sadashiv Kanyana Shetty holds a bachelor's (physics and chemistry) and master's (chemistry) degree in science from University of Mysore. He has experience of more than three (3) decades in agrochemicals industry.	November 1, 2018 <i>He has been re-appointed for a term of 5 years in Annual General Meeting dated August 24, 2023</i>
2.	Raghuram Kanyan Shetty* DIN: 00038703	Managing Director	Mr. Raghuram Kanyan Shetty holds a bachelor's degree in economics from University of Mysore. He has pursued government commercial diploma from the Department of Education, Bureau of Government Examinations, Maharashtra. He also has a diploma in export and import	November 1, 2018 <i>He has been re-appointed for a term of 5 years in Annual General Meeting dated August 24, 2023</i>

			management from the India International Trade Centre, Mumbai. He has experience of more than three (3) decades in agrochemicals industry.	
3.	Shriraj Sadashiv Shetty DIN: 06609014	Wholetime Director	Mr. Shriraj Sadashiv Shetty holds a bachelors degree in Engineering from the University of Mumbai and degree of Masters in Chemical Engineering from Bharati Vidyapeeth (deemed university), Pune.	July 27, 2022
4.	Raunak Raghuram Shetty DIN: 08006529	Wholetime Director	CA Raunak Raghuram Shetty holds a bachelor's degree in commerce from University of Mumbai and is an associate member of the Institute of Chartered Accountants of India. He has an experience of more than 4 (four) years in the field of accounts and finance.	April 1, 2019 <i>He has been re-appointed for a term of 5 years in Annual General Meeting dated August 24, 2023</i>
5.	Ganesh Narayan Vanmali DIN: 07833853	Independent Director	Mr. Ganesh Narayan Vanmali holds a bachelor's degree in commerce and general laws from University of Bombay. He completed his CAIIB course from Indian Institute of Banking and Finance. He has over four (4) decades of experience in banking industry. Previously, he was	August 31, 2018 <i>He has been re-appointed for a term of 5 years in Annual General Meeting dated August 24, 2023</i>

			associated with Bank of Maharashtra.	
6.	Mulky Vishwanatha Shetty DIN: 08168960	Independent Director	Mr. Mulky Vishwanatha Shetty holds a bachelor's degree in science (physics and chemistry) from University of Mysore. He has over two (2) decades of experience in chemical industry in different fields such as product development, setting up plant and manufacturing operations.	July 9, 2023
7.	Anilkumar Mohanraj Marlecha DIN: 08193193	Independent Director	Advocate Anikkumar Mohanraj Marlecha holds a bachelor's degree in commerce and law from University of Mumbai. He has obtained certificate of practice from Bar Council of India and presently is in legal practice. He has over seven (7) years of experience in legal practice.	August 31, 2018 <i>He has been re-appointed for a term of 5 years in Annual General Meeting dated August 24, 2023</i>
8.	Reshma Dagdu Wadkar DIN: 09394615	Independent Director	Ms. Reshma Dagdu Wadkar holds a bachelors degree of commerce in Financial Accounting and Auditing from the University of Mumbai	July 27, 2022

**SEBI, by way of an ex-parte interim order dated July 28, 2009 had restrained Mr. Raghuram Kanyan Shetty from buying, selling, dealing in securities of Alka Securities Limited from July 29, 2009 (the "Interim Order") which was further confirmed by way of a separate orders dated October 16, 2009 and October 30, 2009 (the "Confirmatory Orders"). SEBI by way of the Interim Order had also directed NSDL and CDSL to freeze beneficial owner accounts of Mr. Raghuram Kanyan Shetty. The said Interim Order was passed since Mr. Raghuram Kanyan Shetty was alleged to be a part of certain 2nd Level 317 entities mentioned in the Interim Order being involved in the trading of the scrip where certain entities indulged price-volume manipulation thereby violating the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003. SEBI after further investigations, by way of an order dated September 10, 2012, revoked its Interim and Confirmatory Orders against the 2nd Level 317 entities, including Mr. Raghuram Kanyan Shetty, with immediate effect.*

14. The Key financial information of the PAC based on audited financial statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and for the 6 (six) months ended as on September 30, 2023, is provided hereunder:

(INR in Crores)

Statement of Profit & Loss	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	6 months period ended September 30, 2023
	(Audited Standalone ^{\$}) –	(Audited Standalone ^{\$}) –	(Audited Consolidated) –	(Unaudited Consolidated) –
Revenue from Operations	1,218.65	1,450.37	1,318.82	699.50
Other Income	7.03	19.35	12.22	7.63
Total Income	1,225.68	1,469.72	1,331.04	707.13
Total Expenditure	997.31	1,190.62	1,162.79	659.23
Profit before Depreciation, Interest and Tax	228.37	279.10	168.25	47.90
Depreciation & Amortization Expenses	14.69	19.78	22.73	11.81
Finance Cost	5.40	4.08	7.94	4.45
Profit before Tax	208.28	255.24	137.58	31.64
Tax Expenses	54.05	66.19	33.21	10.34
Profit after Tax	154.23	189.05	104.37	21.30

(INR in Crores)

Balance Sheet	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	6 months period ended September 30, 2023
	(Audited- Standalone ^{\$})	(Audited Standalone ^{\$}) –	(Audited Consolidated) –	(Unaudited Consolidated) –
EQUITY AND LIABILITIES				
Shareholder's Fund				
Equity Share Capital	40.01	40.01	40.01	40.01
Other Equity	488.12	674.45	770.36	786.75
Total Equity	528.13	714.46	810.37	826.76
Secured Loan	50.28	52.33	89.01	83.84
Unsecured Loan	-	-	-	-
Non-Current Liabilities (excluding borrowings)	14.88	15.58	12.50	13.79
Current Liabilities (excluding borrowings)	250.02	286.26	250.40	456.42
Total Liabilities	843.31	1,068.63	1,162.28	1,380.81
Net Fixed Assets	133.44	193.43	208.52	218.27
Investments	10.10	2.12	0.77	0.64
Non-Current Assets (excluding Investments)	31.47	34.40	108.83	210.51
Current Assets (excluding Investments)	668.31	838.68	844.16	951.39
Total Assets	843.31	1,068.63	1,162.28	1,380.81

Other Financial Data	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	6 months period ended September 30, 2023
	(Audited – Standalone ^{\$})	(Audited – Standalone ^{\$})	(Audited – Consolidated)	(Unaudited – Consolidated)
Dividend (%)	7%	20%	12.5%	-
Earnings Per Share (In Rs.)	39.41	47.25	26.08	5.32
Book Value Per Share	131.99	178.55	203.96	206.62
Return on Networth*	30.44%	26.46%	13.49%	-

Notes:

(1) The key financial information for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 have been extracted from Company's annual reports for financial years 2020-2021, 2021-2022, 2022-2023 respectively. Figures for the half year ended September 30, 2023 have been extracted from the approved financial results of the company, submitted to the Stock Exchanges.

\$ Consolidated financials are not available for the financial years 2020-2021 and 2021-2022.

* Profit After Tax/ Net-Worth

Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775)

15. The PAC does not hold any Equity Shares or voting rights in the Target Company. Furthermore, the PAC has not acquired any Equity Shares of the Target Company after the date of the Public Announcement, Detailed Public Statement and the date of this Letter of Offer.
16. Neither the PAC nor its promoters or directors or key managerial employees have any relationship/prior association/ association with or interest in the Target Company.
17. The PAC does not have any relationship/ association with the Promoter Sellers or public Shareholders of Target Company, except for Nithyanand K. Shetty, who is part of promoter group of PAC and holds 10,000 Equity Shares in the Target Company under the category of "Public Shareholders".

Details of acquisition of Equity Shares by Nithyanand K. Shetty in the Target Company is as follows:

Date of Acquisition	No. of Equity Shares	Acquisition price (INR)
13.06.2023	748	24.99
13.06.2023	1,913	25.00
13.06.2023	500	25.15
13.06.2023	500	25.25
13.06.2023	339	25.55
14.08.2023	500	25.50
14.08.2023	1	25.89
14.08.2023	160	25.97
14.08.2023	250	25.99
14.08.2023	1,996	26.00
14.08.2023	1,093	26.00
21.08.2023	2,000	27.50

Mr. Nithyanand K. Shetty, has confirmed that he does not have any prior association with the Target Company.

18. Prior to Underlying Transaction as detailed in Section III (Details of the Open Offer) of this Letter of Offer, the PAC neither held any Equity Shares in the Target Company nor had it ever made any acquisition of Equity Shares of the Target Company and therefore compliances under Regulation 29, 30 and 31 of the SEBI (SAST) Regulations were not applicable to the PAC.
19. The PAC has not received any complaints in relation to the Open Offer.

20. No penalties have been levied by SEBI / RBI or other regulator against the PAC, other than as mentioned below:
- Regulatory charges of INR 2,41,900/- (Indian Rupees Two Lakhs Forty One Thousand and Nine Hundred Only) were imposed by BSE on PAC for non-submission of Corporate governance report under section 17(1) of the SEBI (LODR) Regulations, 2015 for quarter ended December 31, 2021. The PAC has made the payment on March 3, 2022 and the intimation was made to BSE vide letter dated March 4, 2022.
21. There have been no previous open offers made by the PAC to the public shareholders of other companies in the past.
22. There are no proceedings pending against the PAC under SEBI Act, 1992 and regulations made there under, or by any other Regulator.
23. There are no statutory approvals pending in the name of the PAC.
24. The PAC has obtained a Net worth certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775).
25. Neither the PAC nor its promoters or directors or key managerial employees are categorized as a 'wilful defaulter' by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.
26. Neither the PAC nor its promoters or directors or key managerial employees are categorized/declared as a 'Fugitive Economic Offender' under Section 12 of the Fugitive Economic Offenders Act, 2018, in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
27. The contingent liabilities of the PAC as on March 31, 2023 are as follows:

(INR in Crores)

Sr. No.	Particulars	Year ended March 31, 2023 (Audited-Consolidated)
A.	Claims against the Company not acknowledged as debts	
1.	Guarantees issued by Bank	6.14
2.	Disputed Excise Duty/Custom Duty Demands	23.49
3.	Demand under Goods & Service Tax	0.36
4.	Disputed VAT Liability – UP State (Deposited against appeal INR 0.39 crore for the year ended 2022-2023)	0.61
5.	Disputed Income Tax demands (AY 2018-19)	6.20
B.	Commitments	
1.	Estimated amounts of contracts remaining to be executed in Capital Account and not provided for (Net of Advance) i.e. the amount payable for the undelivered capital expenditure items	60.10
2.	Capital commitment towards Investment with Fireside Ventures Investment Fund	4.25

Notes:

(1) The key financial information stated above for the financial years ended March 31, 2023 have been extracted from company's annual reports for the financial year 2022-2023.

Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775).

VI. INFORMATION ABOUT THE SELLERS (i.e PROMOTER SELLERS AND OTHER SELLING SHAREHOLDERS UNDER THE SPA)

(The disclosure mentioned under this section has been sourced from information received or provided

by the Sellers or publicly available sources)

1. The details of Sellers have been set out as below:

Name of Sellers	Residential Address/ Registered Office	Nature of Entity/ Individual	Details of change in name in the past (if applicable)	Part of promoter/promoter group (Yes/No)	Name of the group	Name of the stock exchange in India or abroad where listed	Details of Equity Shares/ Voting Rights held by the Sellers			
							Pre-Transaction ^{\$}		Post Transaction [@]	
							No. of Equity Shares	% vis-à-vis Equity & Voting Share Capital	No. of Equity Shares	% vis-à-vis Equity & Voting Share Capital
PROMOTER SELLERS										
Amit Jayant Patel	B-10 Sterling Apartment, 38-Peddar Road, Near Sophia College, Cumballa Hill, Mumbai-400026, Maharashtra, India	Individual	Not Applicable (“N.A.”)	Yes	-	N.A.	10,72,965	17.88 %	Nil	Nil
Aditya Amit Patel	B-10 Sterling Apartment, 38-Peddar Road, Near Sophia College, Cumballa Hill, Mumbai 400026, Maharashtra, India	Individual	N.A.	Yes	-	N.A.	1,04,499	1.74 %	Nil	Nil
Nitin Prabhu das Bhagat	4-B Vaibhav Apartments 80 Bhulabhai Desai Road Cumballa Hill Mumbai - 400026,	Individual	N.A.	Yes	-	N.A.	50,000	0.83 %	Nil	Nil

	Maharashtra, India									
Amit Jayant Patel HUF	B-10 Sterling Apartment, 38-Peddar Road, Near Sophia College, Cumballa Hill Mumbai - 400026, Maharashtra, India	Hindu Undivided Family	N.A.	Yes	-	N.A.	45,310	0.76 %	Nil	Nil
Mita Bhagat	1/1, Sukh Shanti, 19, Pedder Road, Near Jaslok Hospital, Cumballa Hill, Mumbai-400026, Maharashtra, India.	Individual	N.A.	Yes	-	N.A.	25,000	0.42%	Nil	Nil
Dhwani Aditya Patel	B-10 Sterling Apartment, 38-Peddar Road, Near Sophia College, Cumballa Hill, Mumbai-400026, Maharashtra, India	Individual	N.A.	Yes	-	N.A.	15,800	0.26%	Nil	Nil
Aditya A Patel HUF	B-10 Sterling Apartment 38-Peddar Road, Near Sophia College, Cumballa Hill, Mumbai-400026, Maharashtra, India	Hindu Undivided Family	N.A.	Yes	-	N.A.	7,500	0.13%	Nil	Nil

Aruna Vinodchandran Merchant	3-A, Akash Ganga 3rd Floor, 89, Bhulabhai Desai Road, Opp. Tata Garden, Cumballa Hill, Mumbai - 400036, Maharashtra, India	Individual	N.A.	Yes	-	N.A.	46,645	0.78%	Nil	Nil
Caffil Private Limited	29, G.I.D.C. Phase 1, Vatva Ahmedabad - 382445, Gujarat, India.	Private Limited Company	N.A.	Yes	-	N.A.	5,03,300	8.38%	Nil	Nil
OTHER SELLING SHAREHOLDERS										
Mihir Vinodchandran Sonawala	R. No. 19, Bldg-36, Krishna baug, V.P. Road, 2 nd pawada, Girgaon, Mumbai-400004, Maharashtra, India	Individual	N.A.	No	-	N.A.	2,46,000	4.10%	Nil	Nil
Monica Nimish Patel	14, Alkapuri Society Nr. Hirabaug - 2 Ghatlodia Ahmedabad - 380061, Gujarat, India.	Individual	N.A.	No	-	N.A.	43,000	0.71%	Nil	Nil
C.C.M. (Luxembourg) S. A. (Liquidator of H.G.E. Chemical Company S.A. and Fiduciary of Principals)	2bis Rue Astrid, 1143, Luxembourg	Fiduciary of Principals, namely, 1. Societa Chimica Lombarda S.p.A 2.Diler GUNAST I 3.Samir GUNAST I	N.A.	No	-	N.A.	7,49,700	12.50%	Nil	Nil

		4. Demet BATMAN OGLU								
		5. Aysu USTUND AG								
		6. Aydan SANLI								
TOTAL							29,09,719	48.50%	Nil	Nil

Note:

\$ The pre-transaction shareholding percentage of the Sellers is calculated after considering the Equity & Voting Share Capital of the Target Company as of the date of the Draft Letter of Offer.

@ The post-transaction shareholding of the Sellers reflects the shareholding of the Sellers post consummation of the Share Purchase Agreement.

Mihir Vinodchandra Sonawala and C.C.M (Luxembourg) S A are not related or associated with the Promoters of the Target Company. However, Monica Nimish Patel is niece of Amit Jayant Patel, who is a Promoter and Director in the Target Company.

Monica Nimish Patel was part of the Promoter and Promoter Group of the Target Company till September 30, 2011. However, at her request, the Target Company had re-classified her shareholding from Promoter and Promoter Group to public shareholding w.e.f. December 31, 2011.

As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company. The details are as below:

Date of Acquisition	Number of Equity Shares/voting rights acquired	Persons from whom Equity Shares/voting rights acquired	Purchase price per share
January 9, 2024	10,72,965	Amit Jayant Patel	24/-
January 9, 2024	45,310	Amit Jayant Patel HUF	24/-
January 9, 2024	15,800	Dhwani Aditya Patel	24/-
January 9, 2024	7,500	Aditya A Patel HUF	24/-
January 9, 2024	5,03,300	Caffil Private Limited	24/-
January 9, 2024	2,45,000	Mihir Vinodchandra Sonawala	24/-
January 10, 2024	43,000	Monica Nimish Patel	24/-
January 10, 2024	50,000	Nitin Prabhudas Bhagat	24/-
January 10, 2024	46,645	Aruna Vinodchandra Merchant	24/-
January 16, 2024	25,000	Mita Bhagat	24/-
January 23, 2024	1,04,499	Aditya Amit Patel	24/-
January 31, 2024	7,49,700	C.C.M. (Luxembourg) S. A	24/-

The Acquirer has paid the consideration to the Sellers as on January 08, 2024, except to C.C.M. (Luxembourg) S. A. which was made on January 11, 2024.

- Upon consummation of the Underlying Transaction contemplated in the SPA and post transfer of Equity Shares of the Underlying Transaction, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations. Upon sale of the entire shareholding of the Promoter Sellers in the Target Company pursuant to the SPA, the Promoter Sellers and the other members of the Promoter and Promoter Group are desirous that they will cease to be members of the promoter and promoter group of the Target Company in accordance with the applicable law. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to

48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company

Other members of the Promoter and Promoter Group who are not part of the SPA, are Kishore Jagjivandas Tanna and Padmanabh Vinodchandra Merchant holding NIL Equity Shares and Surbhi Kishore Tanna holding 250 Equity Shares of the Target Company. They have confirmed through letters dated November 8, 2023 addressed to Target Company, Acquirer and Manager to the Open Offer, to reclassify their shareholding from 'Promoter group' to 'Public' category.

- The Sellers have 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.

VII. BACKGROUND OF THE TARGET COMPANY

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

- The Target Company is a public limited company bearing CIN L24114MH1992PLC067309. The Target Company was incorporated as 'Daikaffil Chemicals India Private Limited' under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Mumbai at Maharashtra on June 19, 1992. In the year 1995, the Target Company was converted into Daikaffil Chemicals India Limited and a fresh certificate of incorporation was issued by the Registrar of Mumbai at Maharashtra on January 10, 1995
- The Registered Office of the Target Company is at E-4, MIDC, Tarapur, Boisar, Thane – 401506, Maharashtra, India.
- The Target Company is in the business of organic and inorganic chemicals, textile chemicals and auxiliaries chemical compounds.
- The Equity Shares of the Target Company are listed only on BSE. (Scrip Code: 530825). The ISIN of the Equity Shares of the Target Company is INE789B01018.

The closing market price per share of the Target Company as on the date of the Public Announcement i.e November 8, 2023 on BSE was INR 45.60/- (Indian Rupee Forty Five and Paise Sixty)

- The present authorised share capital of the Target Company is INR 6,50,00,000/- (Indian Rupees Six Crores Fifty Lakhs Only) divided into 65,00,000 (Sixty Five Lakh) Equity Shares of INR 10/- (Indian Rupees Ten Only) each. The paid share capital of the Target Company is INR 6,00,00,000/- (Indian Rupees Six Crores Only) divided into 60,00,000 (Sixty Lakh) Equity Shares of INR 10/- (Indian Rupees Ten Only) each.
- The details of the Share Capital of Target Company as on the date of this Letter of Offer are as follows:

Paid up Equity Shares of TSL	No. of Equity Shares/ Voting rights	% of Equity Shares / voting rights
Fully paid-up Equity Shares	60,00,000	100%
Partly paid-up Equity Shares	Nil	Nil
Total Equity Shares	60,00,000	100%
Total Voting Rights in the Target Company	60,00,000	100%

- The Equity Shares of the Target Company are frequently traded on BSE in terms of Regulations 2(1)(j) of the SEBI (SAST) Regulations.
- The Target Company does not have any partly paid-up equity shares or any convertible instruments (including warrants, fully convertible securities, partly convertible securities and employee stock option).

9. There are no outstanding equity shares of the Target company that have been issued but not listed on the Stock Exchange.
10. There are no depository receipts of the Equity Shares issued in foreign countries by the Target Company.
11. The trading of the Equity Shares is currently not suspended on BSE.
12. As on date of this Letter of Offer, the composition of Board of Directors of the Target company is as follows:

Sr. No.	Name of Director	DIN	Designation	Date of Initial Appointment
1.	Amit Jayant Patel	00005232	Non-Executive Director	June 19, 1992
2.	Aditya Amit Patel	00005276	Managing Director	August 14, 2012
3.	Sunil Hansraj Merchant	01064306	Independent Director	June 20, 2018
4.	Maithili Manharlal Siswawala	07107622	Independent Director	March 17, 2015

13. None of the directors of the Acquirer and/or PAC are on the board of directors of the Target Company. The Acquirer and/or PAC have not nominated any director on the board of directors of the Target Company.
14. The Target Company was not involved in any merger/demerger/spin offs during the last 3 years.
15. There has been no change in the name of the Company in the last 3 years.
16. As confirmed by the Target Company, it is not registered with any sector specific regulatory authority.
17. The Target Company has confirmed that there are no statutory approvals required to be obtained to complete the Open Offer.
18. As confirmed by the Target Company, there are no proceedings pending against the Target Company under SEBI Act, 1992 and regulations made there under, or by any other specific Regulator.
19. As confirmed by the Target Company, there are no statutory approvals pending in the name of the Target Company.
20. As confirmed by the Target Company, that the members of promoter and promoter group of Target Company do not have any relationship/association with the public shareholders of the Target Company, except for Monica Nimish Patel, who is niece of Amit Jayant Patel, Promoter and Director of Target Company.
21. The Target Company has confirmed that other than as mentioned below, there have been no instances of non-compliance or delayed compliances with respect to Regulation 29, 30 and 31 of the SEBI (SAST) Regulations.

Sr. No.	Regulation	Financial Year	Due date for compliance	Actual compliance date	Delay, if any	Status of compliance with Takeover Regulations	Remarks, if any
1.	29(2)	2020-2021	23/09/2020	09/10/2020	Yes	Complied	Delayed due to COVID-19

							lockdown situation
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1,83,300 Equity Shares were transmitted from Late Mrs. Geeta Patel to Mr. Amit Jayant Patel.

22. The Target Company has confirmed that there have been no instances of non-compliances with respect to Chapter V of SEBI (SAST) Regulations by the members of promoter group in past eight financial years.
23. The Target Company has received an email dated March 14, 2022 observing non-compliance of Regulation 29 of SEBI (LODR) Regulations, due to delay in submission of prior intimation about the Board Meeting. BSE imposed a fine of INR 11,800/- (Indian Rupees Eleven Thousand Eight Hundred Only) on the Target Company, which has been paid. Other than as stated above, the Target Company has confirmed that no penalties have been levied by SEBI/RBI or other regulator against the Target Company.
24. The Target Company has confirmed that other than as mentioned below, there have been no instances of non-compliance or delayed compliances with respect to SEBI (LODR) Regulations:

Sr. No.	Non- Compliance with SEBI (LODR) Regulations	Details of the matter
1.	Regulation 44 of the SEBI (LODR) Regulations	The Annual General Meeting of the Target Company for the financial year ended March 31, 2017 was held on August 4, 2017. However, the Company has made intimation of voting results on August 18, 2017. <i>It is to be noted that pursuant to Regulation 44 of the SEBI (LODR) Regulations, the listed entities shall submit to the stock exchange, details regarding the voting results within 48 hours of the conclusion of the General Meeting.</i>
2.	Old provisions of the Regulation 30 (6) of SEBI (LODR) Regulations	The Target Company had issued a notice dated November 23, 2021, to various statutory and government authorities, for closure of its manufacturing activities at factory at Tarapur. However, the Target Company has not made intimation of such material information to the stock exchange. It is to be noted that the Target Company is in non-compliance with the old provisions of the Regulation 30(6) of the SEBI (LODR) Regulations, where any material event had to be disclosed to the stock exchange not later than twenty four hours from the occurrence of the event or information.

25. There have been no previous open offers made to the public shareholders of Target Company.
26. Key financial information of the Target Company based on limited review financials for the six months ended September 30, 2023 and audited financial statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, is provided as hereunder:

(INR in Crores)

Statement of Profit & Loss	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	6 months period ended September 30, 2023
	(Audited)	(Audited)	(Audited)	(Unaudited)
Revenue from Operations	11.40	8.16	0.64	-
Other Income	0.55	0.47	0.47	0.23
Total Income	11.95	8.63	1.11	0.23
Total Expenditure	11.23	10.19	2.56	0.29
Profit before Depreciation, Interest and Tax	0.72	(1.56)	(1.45)	(0.06)

Depreciation & Amortization Expenses	1.12	1.13	1.21	0.22
Finance Cost	0.05	0.03	0.01	-
Profit before Tax	(0.45)	(2.72)	(2.67)	(0.28)
Tax Expenses	0.04	0.22	0.26	0.04
Profit after Tax	(0.41)	(2.50)	(2.41)	(0.24)

(INR in Crores)

Balance Sheet	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	6 months period ended September 30, 2023
	(Audited)	(Audited)	(Audited)	(Un-audited)
EQUITY AND LIABILITIES				
Shareholder's Fund				
Equity Share Capital	6.00	6.00	6.00	6.00
Other Equity	19.58	18.52	16.11	15.44
Total Equity	25.58	24.52	22.11	21.44
Secured Loan	-	-	-	-
Unsecured Loan	-	-	-	-
Non-Current Liabilities (excluding borrowings)	1.13	1.26	0.71	0.65
Current Liabilities (excluding borrowings)	1.78	0.55	0.27	0.25
Total Liabilities	28.49	26.33	23.09	22.34
Net Fixed Assets	13.00	13.97	12.47	11.97
Investments	0.19	0.19	0.19	0.19
Non-Current Assets (excluding Investments)	0.34	0.28	0.29	0.26
Current Assets (excluding Investments)	14.96	11.89	10.14	9.92
Total Assets	28.49	26.33	23.09	22.34

Other Financial Data	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	6 months period ended September 30, 2023
	(Audited)	(Audited)	(Audited)	(Un-audited)
Dividend (%)				
Earnings Per Share (In INR)	(0.68)	(4.17)	(4.01)	(0.40)
Book Value Per Share	42.64	40.87	36.86	35.74
Return on Networth*	-	-	-	-

Notes:

(1) The key financial information for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 have been extracted from the Company's annual reports for financial years 2022-2023, 2021-2022 and 2020-2021, respectively. Figures for the half year ended September 30, 2023 have been extracted from the approved financial results of the company submitted to the stock exchange.

* Profit After Tax/ Net-Worth

Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775).

27. The shareholding pattern of the Target Company pre-Open Offer as on December 31, 2023 and post-Offer is as follows:

Shareholders' Category	Shareholding/voting rights prior to the SPA/ acquisition and offer		Shares/voting rights acquired/ agreed to be acquired which triggered off the SEBI (SAST) Regulations		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 Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding	No. of Equity Shares	% of Equity Shareholding
1. Promoters & Promoter Group								
1. Promoter Group								
a. Parties to the SPA	18,71,019	31.19	(18,71,019)	(31.19)	-	-	Nil	0.00
b. Promoters other than (a) above	250	0.00	-	-	-	-	250 ⁽¹⁾	0.00
Total 1(a+b)	18,71,269	31.19	(18,71,019)	(31.19)	-	-	250⁽¹⁾	0.00
2. The Acquirer and PAC								
a. Acquirer	-	-	29,09,719	48.50	15,60,000	26.00	44,69,719	74.50
b. PAC	-	-	-	-	-	-	-	-
Total 2(a+b)	-	-	29,09,719	48.50	15,60,000	26.00	44,69,719	74.50
3. Parties to Agreement other than (1) (a) and (2)	10,38,700	17.31	(10,38,700)	(17.31)	-	-	Nil	0.00
4. Public (other than Parties to Agreement and Acquirer & PAC)								
a. FIs/ MFs/ FIIs/ Banks/ SFIs, Insurance companies/ AIFs	-	-	-	-	(15,60,000)	(26.00)	15,30,031	25.50
b. Others (Public Shareholders)	30,90,031	51.50	-	-	-	-	-	-
Total (4) (a+b)	30,09,031	51.50	-	-	-	-	15,30,031	25.50
GRAND TOTAL (1+ 2+ 3+ 4)	60,00,000	100.00	-	-	-	-	60,00,000	100.00

Notes: (1) Upon consummation of the Underlying Transaction contemplated in the SPA and post transfer of Equity Shares of the Underlying Transaction, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations. Upon sale of the entire shareholding of the Promoter Sellers in the Target Company pursuant to the Share Purchase Agreement, the Promoter Sellers and the other members of the Promoter and Promoter Group are desirous that they will cease to be members of the promoter and promoter group of the Target Company in accordance with the applicable law. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company

(2) Other members of the Promoter and Promoter Group who are not part of the SPA, Kishore Jagjivandas Tanna and Padmanabh Vinodchandra Merchant holding NIL Equity Shares and Surbhi Kishore Tanna holding 250 Equity Shares of the Target Company. They have confirmed through letters dated November 8, 2023 addressed to Target Company, Acquirer and Manager to the Open Offer, to reclassify their shareholding from 'Promoter group' to 'Public' category.

VIII. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of the Offer Price

- The Equity Shares of the Target Company bearing ISIN 'INE789B01018' are presently listed on the BSE (Scrip Code '530825').
- The annualized trading turnover in the Equity Shares of the Target Company on BSE during the period November 1, 2022 to October 31, 2023 ("Twelve Month Period"), viz. twelve calendar months preceding the calendar month in which the PA i.e. November 8, 2023 has been made is set out below:

Stock Exchange	Total no. of Equity Shares of the Target Company traded during the preceding 12 calendar months prior to the date of Public Announcement (A)	Total No. of Equity Shares of the Target Company (B)	Traded Turnover percentage (A/B)
BSE	18,24,296	60,00,000	30.40%

Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/ W100775).

- Based on the above, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares of the Target Company are frequently traded on BSE.
- The Offer Price of INR 38.72 (Indian Rupees Thirty Eight and Paise Seventy Two) per Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of:

Sr. No.	Particulars	Price (In INR per Equity share)
a.	The highest negotiated price per Equity Share of the Target Company for any acquisition under the agreement attracting the obligations to make a Public Announcement for the Open Offer i.e the price per Seller share under the SPA	INR 24/- (Indian Rupees Twenty Four Only) per Equity Share
b.	The volume-weighted average price paid or payable per Equity Share for acquisition(s) by the Acquirer or the PAC, during the 52 (Fifty Two) weeks immediately preceding the date of Public Announcement	Not Applicable ^{\$}
c.	The highest price paid or payable per Equity Share, whether for any acquisition by the Acquirer or the PAC, during the 26 (Twenty Six) weeks immediately preceding the date of Public Announcement	Not Applicable [^]
d.	The volume-weighted average market price of Equity Shares for a period of 60 (Sixty) trading days immediately preceding the date of Public Announcement as traded on BSE where the maximum volume of trading in the Equity Shares of the Target Company is recorded during such period and such shares are frequently traded	INR 38.72/- (Indian Rupees Thirty Eight and Paise Seventy Two Only) per Equity Share
e.	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager to the Open Offer considering valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of equity shares of such companies; and	Not Applicable [#]
f.	The per equity share value computed under Regulation 8(5) of SEBI (SAST) Regulations, if applicable	Not Applicable [*]

^{\$} Acquirer and PAC have not acquired any Equity Shares of the Target Company, during the 52 weeks immediately preceding the date of Public Announcement

^ Acquirer and PAC have not acquired any Equity Shares of the Target Company, during the 26 weeks immediately preceding the date of Public Announcement

The Equity Shares are frequently traded

** This is not an indirect acquisition in terms of the SEBI (SAST) Regulations.*

Certificate dated November 8, 2023 issued by NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/W100775).

5. In view of the parameters considered and presented in the table in paragraph 4 above, the minimum offer price per Equity Share, under Regulation 8(2) of the SEBI (SAST) Regulations, is the highest of item numbers a to f above, i.e., is INR 38.72/- (Indian Rupees Thirty Eight and Paise Seventy Two Only) per Equity Share, and the same has been certified by NDAA & Associates LLP, Chartered Accountants (Firm Registration No.: 129486W/W100775) by way of a certificate dated November 8, 2023.
6. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8 (9) of the SEBI (SAST) Regulations as on this Letter of Offer. The Offer Price may be adjusted in the event of any corporate actions like bonus, rights issue, stock split, consolidation, dividend, demergers, reduction, etc. where the record date for effecting such corporate actions falls between the date of this Letter of Offer up to 3 (three) Working Days prior to the commencement of the Tendering Period of the Offer, in accordance with Regulation 8 (9) of the SEBI (SAST) Regulations. However, no adjustment shall be made for dividend with a record date falling during such period except where the dividend per share is more than fifty per cent higher than the average of the dividend per share paid during the 3 (three) financial years preceding the date of public announcement.
7. As on date of this Letter of Offer, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer and the PAC would comply with Regulation 18 and all other applicable provisions of SEBI (SAST) Regulations.
8. In terms of Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, the Offer Price or the Offer Size may be revised at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period. In the event of such revision: (a) the Acquirer and the PAC shall make corresponding increases to the Escrow Amount; (b) make a public announcement in the same newspapers in which the Detailed Public Statement has been published; and (c) simultaneously with the issue of such public announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.
9. In the event of any acquisition of Equity Shares by the Acquirer and/or PAC during the Offer Period, whether by subscription or purchase at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8 (8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall: (a) make corresponding increases to the Escrow Amount; (b) make a public announcement in the same newspapers in which the DPS has been published; and (c) simultaneously with the issue of such public announcement, inform SEBI, BSE and the Target Company at its registered office of such revision. However, the Acquirer and the PAC shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period of this Open Offer and until the expiry of the Tendering Period of this Open Offer.
10. If the Acquirer and/or PAC acquire Equity Shares of the Target Company during the period of 26 (Twenty Six) weeks after the Tendering Period at a price higher than the Offer Price, the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in the Open Offer within 60 (Sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Open Offer under SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.

B. Financial Arrangements

1. The total consideration for this Open Offer is up to INR 6,04,03,200/- (Indian Rupees Six Crores Four Lakhs Three Thousand and Two Hundred Only), assuming full acceptance of this Open Offer (i.e., for the acquisition of 15,60,000 (Fifteen Lakhs Sixty Thousand) Equity Shares, at the Offer Price of INR 38.72/- (Indian Rupees Thirty Eight and Paise Seventy Two Only) per Equity Share is (the “**Maximum Consideration**”). The Open Offer is not subject to differential pricing.
2. In accordance with Regulation 17 of SEBI (SAST) Regulations, the Acquirer and the Manager to the Open Offer have entered into an escrow agreement dated November 8, 2023 with IndusInd Bank Limited (“**Escrow Agent**”), acting through its branch office at 11th floor, Tower 1, One World Centre, 841, S.B. Marg Elphinstone Road, Mumbai- 400013, Maharashtra, India (“**Escrow Agreement**”). Pursuant to the Escrow Agreement, the Acquirer has opened an escrow account under the name and title of “Mikusu India Private Limited Escrow Account” (“**Escrow Account**”), and has made a cash deposit of INR 6.04,03,200/- (Indian Rupees Six Crores Four Lakhs Three Thousand and Two Hundred Only) (“**Escrow Amount**”) (being more than 25% (Twenty Five percent) of the total considerations payable in the Open Offer, as required under Regulation 17(1) of the SEBI (SAST) Regulations). The cash deposit has been confirmed by way of a confirmation letter dated November 9, 2023 issued by the Escrow Agent to the Manager to the Open Offer.
3. The Manager to the Open Offer has been fully authorized to operate the Escrow Account and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
4. In case of any upward revision in the Offer Price or the size of this Open Offer, the value in cash of the Escrow Amount shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirer, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.
5. The Acquirer has adequate financial resources for fulfilling its obligations under the Open Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations and the Acquirer will be able to implement the Open Offer. The sources of funds for the Acquirer are from their cash and cash equivalents (including liquid investments).

NDAA & Associates LLP, Chartered Accountants (Firm Registration No. 129486W/W100775), by way of a certificate dated November 8, 2023, has certified that the Acquirer has firm resources to meet the obligation through cash balance, as given below:

(INR in Crores)

Sr. No	Particulars	Amount
	Total amount required for the Open Offer	6.04
	Sources as on the date of this certificate	
1.	Internal Funds- Acquirer has more than INR 7 crores in the current account maintained with the Bank of Baroda, Branch -BFS Kandivali (West) as on November 8, 2023	

6. The Acquirer and the PAC have also, by way of letters dated November 8, 2023 issued to the Manager to the Open Offer, confirmed that they have, and they will continue to have, and maintain sufficient means and firm arrangements to enable compliance with payment obligations under the Open Offer.
7. Based on the above, the Manager to the Open Offer is satisfied, (i) about the adequacy of resources to meet the financial requirements of the Open Offer and the ability of the Acquirer to implement the Open Offer in accordance with the SEBI (SAST) Regulations, and (ii) that firm arrangements for payment through verifiable means are in place to fulfill the Open Offer obligations.

IX. TERMS AND CONDITIONS OF THE OPEN OFFER

A. Operational Terms and Conditions

1. The Open Offer is being made by the Acquirer and the PAC to all the Public Shareholders, to acquire up to 15,60,000 (Fifteen Lakhs Sixty Thousand) Equity Shares, representing 26% (Twenty Six percent) of the Equity and Voting Share Capital of the Target Company, subject to the terms and conditions mentioned in the Public Announcement, the Detailed Public Statement and this Letter of Offer.
2. The Letter of Offer shall be sent to the Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company as on the Identified Date. The Identified Date for this Open Offer as per the indicative schedule of key activities is Thursday, January 25, 2024.
3. The Open Offer is not conditional and is not subject to any minimum level of acceptance. The Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. The Public Shareholders may tender their Equity Shares in the Open Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirer and the PAC has up to 10 (ten) Working Days from the closure of the Tendering Period to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Open Offer.
5. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that they have good and valid title to the Offer Shares. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Offer Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, together with all legal and beneficial rights attached thereto and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
6. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Open Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Open Offer in any way.
7. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
8. There is no lock-in on the Equity Shares held by the Public Shareholders.
9. The instructions, authorisations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute an integral part of the terms and conditions of this Open Offer. The Public Shareholders can write to the Registrar to the Open Offer or to the Manager to the Open Offer requesting for the Letter of Offer along with the Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance-cum-Acknowledgement is also expected to be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.
10. Public Shareholders to whom the Open Offer is being made are free to tender their shareholding in the Target Company in whole or in part while accepting the Open Offer. The acceptance must be unconditional and should be absolute and unqualified.
11. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases, attachment orders or restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected.
12. All the Equity Shares validly tendered under this Open Offer to the extent of the Offer Size will be acquired by the Acquirer and the PAC in accordance with the terms and conditions set forth in this Letter of Offer and subject to the conditions specified in the Share Purchase Agreement.
13. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholders of the Target Company.

14. By accepting this Open Offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer or the Seller for the purpose of this Open Offer.
15. The marketable lot for the Equity Shares of the Target Company for the purpose of this Open Offer shall be 1 (one).
16. None of the Acquirer, PAC, the Manager to the Open Offer or the Registrar to the Open Offer accept any responsibility for any loss of documents during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
17. The acceptance of Equity Shares tendered in the Open Offer will be made by the Acquirer and the PAC in consultation with the Manager to the Open Offer.

B. Eligibility for accepting the Open Offer

1. The Letter of Offer (along with the Form of Acceptance-cum-Acknowledgement) shall be sent to all Public Shareholders holding the Equity Shares, whether in dematerialized form or physical form, whose names appear in the records of Depositories at the close of business hours on the Identified Date.
2. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release dated 3 December 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository with effect from 1 April 2019. However, in accordance with circular issued by SEBI bearing reference number SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 144 dated July 31, 2020, the SEBI (SAST) Regulations and Master Circular the shareholders holding securities in physical form are allowed to tender shares in an Open Offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.
3. All Public Shareholders who own Equity Shares and are able to tender such Equity Shares in this Open Offer at any time before the closure of the Tendering Period, are eligible to participate in this Open Offer.
4. The acceptance of Equity Shares tendered in this Open Offer will be made by the Acquirer and/or the PAC in consultation with the Manager to the Open Offer. If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Shares, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of maximum 15,60,000 (Fifteen Lakhs Sixty Thousand) Equity Shares, representing 26% (Twenty Six percent) of the Equity and Voting Share Capital, in consultation with the Manager to the Open Offer.
5. For any assistance, please contact the Manager to the Open Offer or the Registrar to the Open Offer.

C. Statutory Approvals and conditions of the Open Offer

1. As on the date of this Letter of Offer, to the knowledge of the Acquirer and the PAC, there are no other statutory approvals required to complete this Open Offer. In the event any statutory or regulatory approvals become applicable, this Open Offer shall be subject to receipt of such statutory or regulatory approvals and/or subject to satisfaction of conditions precedent specified in the Share Purchase Agreement (unless waived off in accordance with the Share Purchase Agreement, the Acquirer and the PAC shall have the right to withdraw the Open Offer in accordance with the provisions of Regulation 23(1) of the SEBI (SAST) Regulations if any such statutory or regulatory approval, as may be required, is refused. In the event of such a withdrawal of the Open Offer, the Acquirer and the PAC (through the Manager to the Open Offer) shall make an announcement of such withdrawal within 2 (Two) Working Days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
2. The salient features of the Share Purchase Agreement are set out as below:
 - a. The Promoter Sellers and the Other Selling Shareholders have agreed to sell, and the Acquirer has agreed to acquire 29,09,719 (Twenty Nine Lakhs Nine Thousand Seven Hundred and Nineteen) Equity Shares of the Target Company representing 48.50% (Forty Eight point five

zero percent) of the Equity and Voting Share Capital, for an aggregate consideration of INR 6,98,33,256/- (Rupees Six Crores Ninety Eight Lakhs Thirty Three Thousand Two Hundred and Fifty Six Only), i.e INR 24/- (Indian Rupees Twenty Four Only) per Equity Share, payable by the Acquirer to the Promoter Sellers and the Other Selling Shareholders in accordance with the terms and conditions stipulated in the SPA (unless waived off in accordance with the SPA).

- b. The sale of the Seller Shares by the Sellers to the Acquirer is completed on mutually agreed date among the parties, immediately after 21 (Twenty One) working days from the publication of the Detailed Public Statement has expired and the Acquirer has deposited 100% of the Open Offer consideration in the Escrow Account. As on the date of this Letter of Offer, the Acquirer has acquired 29,08,719 (Twenty Nine Lakhs Eight Thousand Seven Hundred and Nineteen) representing to 48.48% (Forty Eight point Four Eight percent) of the Equity and Voting Share Capital of the Target Company
 - c. The Acquirer shall be taking control of the Target Company on a date notified by the Acquirer in writing to the Sellers which shall be immediately after completion of 21 (Twenty One) working days from the publication of the Detailed Public Statement and consummation of the Underlying Transaction (“**Completion Date**”) and subsequently the Promoter Sellers shall cease to be ‘Promoters’ of the Target Company.
 - d. On the Completion Date, the Board of Directors of the Target Company shall be re-constituted as detailed in the SPA.
 - e. The Target Company had issued a notice for discontinuation of manufacturing activities at Tarapur Plant. Aggrieved by the closure notice, Shramik Utkarsh Sabha, (labour union) has filed a complaint against the closure notice with the Industrial Court, Maharashtra at Thane. The Promoters with the consent of the Acquirer have decided to withdraw the closure notice. Further, as per mutual agreement between the parties to the SPA, Mr. Amit Jayant Patel shall continue as Non-Executive Director and Mr. Ganesh Iyer shall continue as Manager, till the interim orders passed in the complaint are vacated by the Industrial Court, Maharashtra at Thane.
**As on the date of this Letter of Offer, the Promoters have filed an application for withdrawal of closure notice in the Industrial Court, Maharashtra at Thane.*
 - f. The Promoter Sellers and the Other Selling Shareholders have agreed to abide by their obligations as contained in the SEBI (SAST) Regulations.
3. All Public Shareholders, including non-resident holders (including NRIs, OCBs and FPIs) of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the Reserve Bank of India) and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserves the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the Reserve Bank of India, or any other regulatory body) in respect of the Equity Shares held by them, He will be required to submit such previous approvals, that the shareholders would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserves the right to reject such Offer Shares.
 4. Subject to the receipt of the Statutory and other approvals, if any, the Acquirer and the PAC shall complete all procedures relating to the payment of consideration under this Open Offer within a period of 10 (Ten) Working Days from the date of expiry of the Tendering Period to those Public Shareholders who has tendered Equity Shares and are found valid and are accepted for acquisition by the Acquirer and the PAC.
 5. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer and the PAC or the failure of the Acquirer and the PAC to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer and the PAC agreeing to pay interest to the Public

Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if a delay occurs on account of willful default by the Acquirer or the PAC in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.

6. By agreeing to participate in this Open Offer (i) the holders of the Equity Shares who are persons resident in India and the (ii) the holders of the Equity Shares who are persons resident outside India (including NRIs, OCBs and FPIs) give the Acquirer and the PAC the authority to make, sign, execute, deliver, acknowledge and perform all actions to file applications and regulatory reporting, if required, including Form FC-TRS, if necessary and undertake to provide assistance to the Acquirer and the PAC for such regulatory filings, if required by the Acquirer and the PAC.
7. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

X. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER

1. The Open Offer will be implemented by the Acquirer and the PAC through the stock exchange mechanism made available by the BSE in the form of a separate window (“Acquisition Window”) as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015, as amended from time to time, read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, as amended from time to time, and SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, as amended from time to time and SEBI master circular SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, as amended from time to time and notices/ guidelines issued by BSE and the Clearing Corporation in relation to the mechanism/ process for the acquisition of shares through the stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time (“**Acquisition Window Circulars**”). The facility for acquisition of Equity Shares through the stock exchange mechanism pursuant to the Open Offer shall be available on BSE in the form of the Acquisition Window.
2. BSE shall be the designated stock exchange for the purpose of tendering shares in the Open Offer (“**Designated Stock Exchange**”).
3. The Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be sent to the Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective depositories, as of the close of business on the Identified Date (i.e. Thursday, January 25, 2024).
4. The PA, DPS, DLOF and the Letter of Offer will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer from SEBI’s website for applying in the Open Offer.
5. All the Public Shareholders who desire to tender their Equity Shares under the Open Offer should consult with their depository participants and their respective stock brokers (“**Selling Broker**”) well in advance to understand the process and methodology in relation to tendering of the Equity Shares through the BSE during the Tendering Period. The Buying Broker may also act as Selling Broker for Public Shareholders.
6. The Acquirer and the PAC have appointed Emkay Global Financial Services Limited (“**Buying Broker**”) as its broker for the Open Offer through whom the purchase and settlement of the Equity Shares tendered in the Open Offer will be made. The contact details of the Buying Broker are as mentioned below:

Emkay Global Financial Services Limited

Address: 7th Floor, The Ruby, Senapati Bapat Marg, Dadar (West), Mumbai- 400028, Maharashtra, India

Phone: +91 22 6612 1212

Fax: +91 22 6612 1299

Email: dcil.openoffer@emkayglobal.com

Website: www.emkayglobal.com
SEBI Registration No.: INZ000203933
CIN: L67120MH1995PLC084899

7. Public Shareholders have to ensure that their Equity Shares are made available to their Selling Brokers in order to mark the lien, before the closure of the Tendering Period. The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Public Shareholders' sole risk. Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Open Offer are completed.
8. Modification/cancellation of orders will not be allowed during the Tendering Period.
9. The Acquisition Window will be provided by BSE to facilitate placing of sell orders. The Selling Broker can enter orders for Equity Shares in dematerialized form or physical form.
10. Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with BSE, or if the Shareholder does not have any stock broker, then that Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Public Shareholder may approach Buying Broker, to bid by using quick UCC facility. The Public Shareholder approaching BSE registered stock broker or Buying Broker (with whom he does not have an account) may have to submit following details:

10.1 In case of Shareholder being an individual:

- b. If Shareholder is registered with KYC Registration Agency ("KRA"): Forms required:
 - i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable
 - ii. Know Your Client (KYC) form Documents required (all documents self-attested):
 - iii. Bank details (cancelled cheque)
 - iv. Demat details (Demat Master /Latest Demat statement)
- c. If Shareholder is not registered with KRA: Forms required:
 - i. CKYC form including FATCA, IPV, OSV if applicable
 - ii. KRA form
 - iii. KYC form Documents required (all documents self-attested):
 - a. PAN card copy
 - b. Address proof
 - c. Bank details (cancelled cheque)
 - iv. Demat details (Demat master /Latest Demat statement)

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

10.2 In case of Shareholder is HUF:

- a. If Shareholder is registered with KRA: Forms required:
 - i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
 - ii. KYC form documents required (all documents self-attested):
 - iii. Bank details (cancelled cheque)
 - iv. Demat details (Demat Master /Latest Demat statement)
- b. If Shareholder is not registered with KRA: Forms required:
 - i. CKYC form of KARTA including FATCA, IPV, OSV if applicable

- ii. KRA form
- iii. Know Your Client (KYC) form Documents required (all documents self-attested):
 - a. PAN card copies of HUF & KARTA
 - b. Address proof of HUF & KARTA
 - c. HUF declaration
 - d. Bank details (cancelled cheque)
- iv. Demat details (Demat master /Latest Demat statement)

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

10.3 In case of Shareholder other than Individual and HUF:

- a. If Shareholder is KRA registered: Forms required
 - i. Know Your Client (KYC) form Documents required (all documents certified true copy) Bank details (cancelled cheque)
 - ii. Demat details (Demat master /Latest Demat statement)
 - iii. FATCA, IPV, OSV if applicable
 - iv. Latest list of directors/authorised signatories/partners/trustees
 - v. Latest shareholding pattern
 - vi. Board resolution
 - vii. Details of ultimate beneficial owner along with PAN card and address proof
 - viii. Last 2 years financial statements
- b. If Shareholder is not KRA registered: Forms required:
 - i. KRA form
 - ii. Know Your Client (KYC) form Documents required (all documents certified true copy):
 - a. PAN card copies of company/ firm/trust
 - b. Address proof of company/ firm/trust
 - c. Bank details (cancelled cheque)
 - iii. Demat details (Demat Master /Latest Demat statement)
 - iv. FATCA, IPV, OSV if applicable
 - v. Latest list of directors/authorised signatories /partners/trustees
 - vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
 - vii. Latest shareholding pattern
 - viii. Board resolution/partnership declaration
 - ix. Details of ultimate beneficial owner along with PAN card and address proof
 - x. Last 2 years financial statements
 - xi. MOA/Partnership deed /trust deed

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

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

11. Procedure For Tendering Shares Held in Dematerialized Form

- 11.1 The Public Shareholders who are holding Equity Shares in electronic/ dematerialised form and who desire to tender their Equity Shares in this Open Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Open Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 11.2 The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchange. Before placing the order/bid, the Selling Broker will be required to mark lien on the

tendered Equity Shares. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to create a lien on the Equity Shares in favour of the Clearing Corporation. The details of the settlement number under which the lien will be marked on the Equity Shares tendered in the Open Offer will be provided in a separate circular to be issued by the Clearing Corporation.

- 11.3 The lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation. In case, the Public Shareholders' demat account is held with one depository and clearing member pool and Clearing Corporation account is held with other depository, Equity Shares shall be blocked in the Public Shareholders' demat account at source depository during the Tendering Period. IN such a situation Inter Depository Tender Offer ("IDT") instructions shall be initiated by the Public Shareholders at source depository to clearing member or Clearing Corporation account at target depository. Source depository shall block the Public Shareholder's Equity Shares (i.e. transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Public Shareholders' demat account shall be provided by the target depository to the Clearing Corporation.
- 11.4 Upon placing the order, the Selling Broker shall provide Transaction Registration Slip ("TRS") generated by the Stock Exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 11.5 On receipt of TRS from the respective Selling Broker, the Public Shareholder has successfully placed the bid in the Open Offer.
- 11.6 Modification/cancellation of orders will not be allowed during the Tendering Period of the Open Offer.
- 11.7 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 the time provided by the BSE on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 11.8 The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the BSE/ Clearing Corporation, before the opening of the Open Offer.
- 11.9 The Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares.
- 11.10 The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

Resident Public Shareholders holding shares in dematerialized form are not required to fill any Form of Acceptance-cum-Acknowledgement, unless required by their respective Selling Broker.

- 11.11 All non-resident Public Shareholders (i.e., Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance-cum-Acknowledgement. The non-resident Public Shareholders holding Equity Shares in Demat mode, directly or through their respective Selling Brokers, are required to send the Form of Acceptance-cum-Acknowledgement along with the required documents to the Registrar to the Open Offer at its address given on the cover page of the Letter of Offer. The envelope should be superscribed as "DAIKAFFIL CHEMICALS INDIA LIMITED – OPEN OFFER" on or before the Offer Closing Date (by 5.00 p.m. (IST)). The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance-cum- Acknowledgement.

12. **Public Shareholders who are holding Equity Shares in Physical Form**

12.1 As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in an Open Offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.

12.2 The Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Open Offer shall approach the relevant Selling Broker and submit the following set of documents for verification:

- i. Form of Acceptance-cum- Acknowledgement duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
- ii. Original share certificate(s);
- iii. Valid share transfer deed(s) (Form SH-4) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place;
- iv. Self-attested PAN Card copy (in case of joint holders, PAN card copy of all transferors);
- v. Any other relevant document such as (but not limited to) powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)), Notarized Copy of death Certificate/ succession certificate or probated will, if the original shareholder has deceased, etc.
- vi. Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license.
- vii. 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;
 - c. Passport ;
 - d. registered lease or sale agreement of residence;
 - e. driving license;
 - f. flat maintenance bill;
 - g. utility bills like telephone bill (only landline), electricity bill or gas bill (not more than three months old);
 - h. identity card / document with address, issued by any of the following: Central/State Government and its Departments, statutory / regulatory authorities, Public Sector Undertakings, scheduled commercial banks, public financial institutions;
 - i. For FII / sub account, Power of Attorney given by FII / subaccount to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address;
 - j. proof of address in the name of the spouse; or
 - k. client master list of the demat account of the holder / claimant, provided by the depository participant

12.3 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 Registrar to the Open Offer, as per the SEBI (SAST) Regulations, applicable laws and any further directions issued in this regard.

- 12.4 Based on these documents, the Selling Broker(s) should place bids on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.
- 12.5 The Selling Broker(s)/Public Shareholder must deliver the original share certificates relating to its Equity Shares and other documentation listed in paragraph 12.2 above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Open Offer i.e. Link Intime India Private Limited at the address mentioned on the cover page within 2 (Two) days of bidding by the Selling Broker i.e. last date for receipt of documents by Registrar to the Open Offer is the Offer Closing Date (by 5.00 p.m.(IST)). The envelope should be superscribed “DAIKAFFIL CHEMICALS INDIA LIMITED – OPEN OFFER”. Share certificates for physical shares must reach the Registrar to the Open Offer on or before 5:00 p.m. on the Offer Closing Date.
- 12.6 The Public Shareholders holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph 12.2 above are submitted. Acceptance of the physical shares in this Open Offer shall be subject to verification by the Registrar to the Open Offer. On receipt of the confirmation from the Registrar to the Open Offer, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform. Physical share certificates and other relevant documents should not be sent to the Acquirer, PAC, Target Company or the Manager to the Open Offer.
- 12.7 All documents as mentioned above, shall be enclosed with the Form of Acceptance-cum-Acknowledgement, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company’s equity share certificate(s) enclosed with the Form of Acceptance-cum-Acknowledgement instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholder(s); (iii) If the Public Shareholder(s) tender Equity Shares, but the Registrar to the Open Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance-cum-Acknowledgement and Form SH-4 does not match as per the specimen signature recorded with Target Company/Registrar of the Target Company.
- 12.8 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 Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 12.9 The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance-cum- Acknowledgement.

13. Procedure for tendering Equity Shares in case of non-receipt of Letter of Offer

- 13.1 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 Open Offer. Accidental omission to send the Letter of Offer to any person to whom the Open Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Open Offer in any way.
- 13.2 Public Shareholders may participate in the Open Offer by approaching their Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in the Letter of Offer.
- 13.3 The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement will be sent (through electronic mode or physical mode) to all the Public Shareholders of the Target

Company, as appearing in the list of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective depositories, as on the Identified Date.

- 13.4 In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Open Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- 13.5 Alternatively, in case of non-receipt of the Letter of Offer, the Public Shareholders holding Equity Shares may participate in the Open 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 the Letter of Offer. Such Public Shareholders have to ensure that their order is entered in the electronic platform through their Selling Broker, which will be made available by BSE before the closure of the Tendering Period.

14. Acceptance of Shares

- 14.1 Registrar to the Open Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 14.2 In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirer and the PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Open Offer, subject to acquisition of a maximum 15,60,000 Equity Shares, 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 (One Equity Share).
- 14.3 The marketable lot for the Equity Shares of the Target Company for the purpose of this Open Offer shall be 1 (One).
- 14.4 In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer and the PAC will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

15. Settlement Process

- 15.1 On the closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Registrar to the Open Offer, and the final list of accepted Equity Shares shall be provided to the Designated Stock Exchange by the Buying Broker to facilitate settlement on the basis of the Equity Shares transferred to the Clearing Corporation.
- 15.2 The settlement of trades shall be carried out in the manner similar to settlement of trades the secondary market in accordance with the Acquisition Window Circulars.
- 15.3 The Public Shareholders holding Equity Shares in dematerialized form will have to ensure that they update their bank account details with their correct account number and IFSC codes, keep their depository participant account active and unblocked to successfully facilitate the tendering of the Equity Shares and for release of lien in case of rejection, nonacceptance or prorated acceptance.
- 15.4 For Equity Shares in dematerialised form accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to the demat account. If the relevant Public Shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI/relevant bank, due to any

reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to the respective Public Shareholder's account.

- 15.5 In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.
- 15.6 For Equity Shares in physical form, the funds pay-out would be given to Public Shareholder's respective Selling Broker's settlement bank accounts for onward transfer to the respective Public Shareholder's account. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered post, back to the Public Shareholder(s) directly by Registrar to the Open Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.
- 15.7 The direct credit of Equity Shares shall be given to the demat account of the Acquirer as indicated by the Buying Broker.
- 15.8 The demat account open by the Acquirer with Buying Broker is an escrow demat account, the authority to operate the escrow demat account is being provided to Registrar to the Open Offer. The accepted Equity Shares in the Open Offer will be credited in this escrow demat account and these Equity Shares will be transferred to Acquirer demat account once all the formalities / obligations related to the Open Offer is completed in accordance with the SEBI (SAST) Regulations.
- 15.9 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of the Acquirer. The lien marked against unaccepted Equity shares shall be released.
- 15.10 Any Equity Shares tendered under the Open Offer that are: (i) subject matter of litigation; or (ii) held in abeyance or prohibited/ restricted from being transferred pursuant to any pending court cases/ attachment orders/ restriction from other statutory authorities; are liable to be rejected unless directions/orders of an appropriate court/tribunal/statutory authority permitting the transfer of such Equity Shares are received together with the Equity Shares tendered under the Open Offer.
- 15.11 Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer.
- 15.12 The Buying Broker will transfer the funds pertaining to the Open Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 15.13 Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirer and the PAC and the Manager to the Open Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 15.14 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer and the PAC for payment of consideration to the Public Shareholders

who have accepted the Open Offer within such period, subject to the Acquirer and the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulations 18 (11) and 18(11A) of the SEBI (SAST) Regulations.

16. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 (“INCOME TAX ACT”) AND THE REGULATIONS THEREUNDER THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. General:

- a) 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 Income Tax 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) as also income received by such persons in India. In case of shares of a company, the Source of income from shares will depend on the “situs” of such shares. As per judicial precedents, generally the “suits” of the shares is where a company is “incorporated” and where its shares can be transferred.
- b) 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.

- c) Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement (“DTAA”) between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- d) The Income Tax Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- e) The summary of income-tax implications on tendering of listed equity shares on recognised stock exchanges in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

2. **Classification of Shareholders:** Shareholders can be classified under the following categories:

- a) Resident Shareholders being:
 - i. Individuals, Hindu Undivided Family (HUF), Association of Persons (“AOP”) and Body of Individuals (“BOI”)
 - ii. Others
- b) Non-Resident Shareholders being:
 - i. Non-Resident Indians (NRIs)
 - ii. Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
 - iii. Others:
 - Company
 - Other than company

3. **Classification of Income:** Shares can be classified under the following two categories

- a) Shares held as investment (Income from transfer taxable under the head “Shares held as investment (“Capital Gains”)
- b) Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains from Business or Profession”)

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 trading asset (i.e., stock-in-trade).

4. **Share held as investment:** As per the provisions of the Income Tax Act, where the shares are held as investments (i.e., capital asset), income from Capital Gains in the hands of shareholders will be computed as per provisions of Section 48 of the Income Tax Act.

5. **Period of holding:** Depending on the period for which the shares are held, the gains will be taxable as “short term capital gain” or “long-term capital gain”:

- a) In respect of equity shares held for a period less than or equal to 12 (Twelve) months prior to the

date of transfer, the same should be treated as a “short term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“STCG”).

- b) Similarly, where equity shares are held for a period more than 12 (Twelve) months prior to the date of transfer, the same should be treated as a “long term capital asset”, and accordingly the gains arising therefrom should be taxable as “long term capital gains” (“LTCG”).

6. **Tendering of Shares in the Offer through a Recognized Stock Exchange in India:** Where a transaction for transfer of such equity shares (i.e., acceptance under an open offer) is transacted through recognised stock exchanges and is chargeable to Securities Transaction Tax (“STT”), then the taxability will be as under (for all categories of shareholders):

- a) The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after April 1, 2018. Section 112A of the Income Tax Act provides for taxation of income arising from the transfer of such shares, which is explained in the following paragraphs.
- b) The gain accrued on such equity shares till January 31, 2018 has been exempted by providing that for the purpose of computing LTCCG the cost of shares acquired before February 1, 2018 shall be the higher of the following:
 - i. Actual cost of acquisition; or
 - ii. Lower of: (A) fair market value, and (B) full value of consideration received or accruing as a result of the transfer of the shares. Fair market value has been defined to mean the highest price of the equity share quoted on any recognized stock exchange on January 31, 2018.
- c) After taking into account the exemption provided above, LTCCG arising from transfer of equity shares, exceeding Rs.100,000, will be taxable at 10.00% without allowing the benefit of indexation.
- d) However, section 112A of the Income Tax Act shall not apply if such equity shares were acquired on or after October 1, 2004 and securities transaction tax (‘STT under Chapter VII of Finance (No. 2) Act, 2004’) was not paid. In this regard, the Central Government has issued a notification no. 60/2018/F. No. 370142/9/2017-TPL dated October 1, 2018, providing certain situations wherein section 112A of the Income Tax Act will continue to be applicable even if STT is not paid at the time of acquisition of equity shares. The notification provides for the following situations:
 - i. Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on recognised stock exchanges of India, was made through a preferential issue, subject to certain exceptions;
 - ii. Where transaction for acquisition of existing listed equity share in a company was not entered through recognised stock exchanges of India, subject to certain exceptions;
 - iii. Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from recognised stock exchanges and ending on the date on which the company was again listed on recognised stock exchanges in accordance with the Securities Contracts (Regulation) Act, 1956 read with the SEBI Act and any rules

made thereunder.

The notification *inter alia* provides certain exceptions to the above situations where the provisions of Section 112A will not apply.

- e) Where provisions of section 112A are not applicable, LTCG will be chargeable to tax at 20.00%. However, for a resident shareholder, an option is available to pay tax on such LTCG under section 112 at either 20.00% with indexation or 10.00% without indexation.
- f) STCG arising from such transaction will be subject to tax @ 15.00% under Section 111A of the Income Tax Act.
- g) Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is required to be considered while computing tax on such LTCG or STCG taxable under Section 112, 112A or 111A of the Income Tax Act. In addition to the above LTCG or STCG tax, applicable Surcharge, Health and Education Cess are leviable.
- h) Minimum alternate tax (“MAT”) implications will get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India and such foreign company does not have a permanent establishment in India in terms of the DTAA.
- i) Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the Income Tax Act.

7. **Shares held as Stock-in-Trade:** If the shares are held as stock-in-trade by any of the eligible Shareholders of the Target Company, then the gains will be characterised as business income and taxable under the head “Profits and Gains from business and profession”.

a. Resident Shareholders:

Profits of:

- (A) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- (B) Domestic companies having total turnover or gross receipts during the previous year 2017-18 not exceeding Rs. 400 crore will be taxable @ 25.00% from AY 2020-21.
- (C) Domestic Companies opted for new Tax regime u/s 115BAA of Income Tax Act (“ITA”) will be taxable at 22.00%
- (D) For persons other than stated in (A), (B) and (C) above, profits will be taxable @ 30.00%.

No benefit of indexation by virtue of period of holding will be available in any case.

b. Non Resident Shareholders

(A) Non-resident Shareholders can avail beneficial provisions of the applicable DTAA entered into by India with the relevant shareholder country but subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the Income

Tax Act.

(B) Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP and BOI, profits will be taxable at slab rates
- For foreign companies, profits will be taxed in India @ 40.00%
- For other non-resident Shareholders, such as foreign firms, profits will be taxed in India @ 30.00%.

In addition to the above, applicable Surcharge, Health and Education Cess are leviable for Resident and NonResident Shareholders.

8. Tax Deduction at Source

(a) In case of Resident Shareholder

In absence of any specific provision under the Income Tax Act, the Acquirer is not required to deduct tax on the consideration payable to resident Shareholders pursuant to the said offer.

(b) In case of Non-resident Shareholders

- (i) In case of FIIs: Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of Capital Gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs.
- (ii) In case of other non-resident Shareholders (other than FIIs) holding Equity Shares of the Target Company: Section 195(1) of the Income Tax Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income Tax Act read with the provisions of the relevant DTAA, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Shareholders provide a specific mandate in this regard.

Since the Offer is through the stock exchange, the responsibility of discharging the tax due on the gains (if any) is primarily on the non-resident Shareholder. The non-resident Shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident Shareholders must file their tax return in India *inter alia* considering gains arising pursuant to this Offer in consultation with their tax advisors.

The non-resident Shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the non-resident Shareholders pursuant to this Offer. The non-resident Shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of

the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

9. Rate of Surcharge and Cess

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

(a) Surcharge

- (i) In case of domestic companies other than companies opted for new tax regime u/s 115BAA of ITA: Surcharge @ 12.00% is leviable where the total income exceeds Rs. 10 crore and @ 7.00% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.
- (ii) In case of domestic companies opted for new tax regime u/s 115BAA of ITA : Flat Surcharge of 10.00% is leviable on total income of the company.
- (iii) In case of companies other than domestic companies: Surcharge @ 5.00% is leviable where the total income exceeds Rs. 10 crore and @ 2.00% where the total income exceeds Rs.1 crore but less than Rs.10 crore.
- (iv) In case of individuals, HUF, AOP, BOI (Who opted for Old Tax Regime and disclosing sale of shares as business income): Surcharge @10.00% is leviable where the total income exceeds Rs. 50 lacs but less than Rs.1 crore, @15.00% where the total income exceeds Rs.1 crore but less than Rs. 2crore, @25.00% where the total income exceeds Rs. 2 crore but less than Rs. 5 crore and @37.00% where the total income exceeds Rs. 5 crore.
- (v) In case of individuals, HUF, AOP, BOI (Who opted for New Tax Regime and disclosing sale of shares as business income): The surcharge rate will be same as mentioned in (iv) above subject to maximum cap of 25.00%
- (vi) In case of individuals, HUF, AOP, BOI (Disclosing sale of shares as Capital Gain): The surcharge rate will be applicable same as mentioned in (iv) above subject to maximum cap of 15.00%
- (vii) In case of Firm and Local Authority: Surcharge @12.00% is leviable where the total income exceedsRs. 1 crore.

(b) Cess

Health and Education Cess @ 4.00% is currently leviable in all cases.

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS NOTE 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, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES.

THE ACQUIRER, PAC AND THE MANAGER TO THE OPEN OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OPEN OFFER.

XI. DOCUMENTS FOR INSPECTION

The copies of the following documents will be available for inspection at the Registered office of the Acquirer at 2nd Floor, A-Wing, Fortune Avirahi, Jambli Gali, Jain Derasar Lane, Borivali – West, Mumbai – 400092 on any working day between 10:00 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the Tendering Period: Further, the documents will be available for inspection to the Public Shareholders electronically during the Tendering Period at URL <https://mikusuindia.com/open-offer>.

1. Memorandum and Articles of Association and Certificate of Incorporation of the Acquirer and the PAC;
2. Copy of SPA dated November 08, 2023, which triggered the Open Offer;
3. Limited Review Report for the period ended September 30, 2023 and Audited Annual Report for the financial year ended as on March 31, 2023 of the Acquirer.
4. Limited Review Report for the period ended September 30, 2023 and Audited Annual Reports for the last 3 (three) Financial Years ending March 31, 2023, March 31, 2022, and March 31, 2021 of the PAC.
5. Limited Review Report for the period ended September 30, 2023 and Audited Annual Reports for the last 3 (three) Financial Years ending March 31, 2023, March 31, 2022, and March 31, 2021 of the Target Company.
6. Certificate dated November 8, 2023 from NDAA & Associates LLP, Chartered Accountants (Firm Registration No.:129486W/W100775), certifying that the firm arrangements for funds have been made by the Acquirer and the PAC for fulfilling its obligations under the Open Offer;
7. Certificate dated November 8, 2023 from NDAA & Associates LLP, Chartered Accountants, certifying the Offer Price computation.
8. Copy of Escrow Agreement dated November 8, 2023 entered into by the Acquirer with the Escrow Agent and the Manager to the Open Offer;
9. A copy of agreement dated November 8, 2023 entered into by the Acquirer with the Depository Participant for opening Demat Escrow Account for the purposes of the Open Offer;
10. Letter dated November 9, 2023 from the Escrow Agent confirming the amount kept in the Escrow account and marked lien in favor of Manager to the Open Offer.
11. Copy of the Public Announcement dated Wednesday, November 8, 2023.
12. Copy of the Detailed Public Statement dated Tuesday, November 14, 2023, published on behalf of the Acquirer and the PAC.
13. Copy of the recommendations will be published by the Committee of Independent Directors of the Target Company.
14. Certificate dated November 8, 2023 from NDAA & Associates LLP, Chartered Accountants, certifying the Net worth of the Acquirer.
15. Certificate dated November 8, 2023 from NDAA & Associates LLP, Chartered Accountants, certifying the Net worth of the PAC.
16. Copy of SEBI Observation letter bearing reference number 'SEBI/HO/CFD/RAC/DCR-2/P/OW/3690/2024' dated January 24, 2024.

XII. DECLARATION BY THE ACQUIRER AND THE PAC

1. The Acquirer, the PAC and their respective directors accept full responsibility for the information contained in this Letter of Offer (other than such information as has been obtained from public sources or provided by or relating to and confirmed by the Target Company and/or the Sellers), and undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations in respect of this Open Offer. The Acquirer and the PAC will be severally and jointly responsible for ensuring compliance with the SEBI (SAST) Regulations.
2. The information pertaining to the Target Company and/or the Promoter Sellers and Other Selling Shareholders contained in the Public Announcement or the Detailed Public Statement or the Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or the Promoter Sellers or Other Selling Shareholders, as the case may be, or publicly available sources which has not been independently verified by the Acquirer or the PAC or the Manager to the Open Offer. The Acquirer, the PAC and the Manager to the Open Offer do not accept any responsibility with respect to such information relating to the Target Company and/or the Promoter Sellers and Other Selling Shareholders.
3. The persons signing this Letter of Offer on behalf of the Acquirer and the PAC have been duly and legally authorized to sign this Letter of Offer.

ISSUED BY MANAGER TO THE OPEN OFFER

FOR AND ON BEHALF OF THE ACQUIRER AND PAC

Signed for and on behalf of Mikusu India Private Limited (Acquirer)

Sd/-

Authorized Signatory

Signed for and on behalf of Heranba Industries Limited (PAC)

Sd/-

Authorized Signatory

Place: Mumbai

Date: January 31, 2024

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE
ATTENTION**

DAIKAFFIL CHEMICALS INDIA LIMITED

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

OPEN OFFER OPENS ON: FRIDAY, FEBRUARY 9, 2024

OPEN OFFER CLOSSES ON: FRIDAY, FEBRUARY 23, 2024

From:

Name:

Address:

PAN:

DP ID:

To,

The Acquirer

C/o LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai - 400083, Maharashtra, India

Tel: +91 810 811 4949

E-mail Address: dcil.offer@linkintime.co.in

Dear Sir,

Sub.: OPEN OFFER FOR ACQUISITION OF UP TO 15,60,000 (FIFTEEN LAKHS SIXTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF INR 10/- (INDIAN RUPEES TEN ONLY) EACH REPRESENTING 26% OF EQUITY AND VOTING SHARE CAPITAL AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OPEN OFFER FROM THE PUBLIC SHAREHOLDERS OF THE DAIKAFFIL CHEMICALS INDIA LIMITED (“TARGET COMPANY”) FOR CASH AT A PRICE OF INR. 38.72/- (INDIAN RUPEES THIRTY EIGHT AND PAISA SEVENTY TWO ONLY) PER EQUITY SHARE (“OFFER PRICE”), BY MIKUSU INDIA PRIVATE LIMITED (“ACQUIRER”) ALONG WITH HERANBA INDUSTRIES LIMITED, IN THEIR CAPACITY AS PERSONS ACTING IN CONCERT WITH THE ACQUIRER (“PAC”) FOR THE PURPOSE OF THE OPEN OFFER PURSUANT TO AND IN COMPLIANCE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 (“OPEN OFFER”).

I/We refer to the Letter of Offer dated January 31, 2024 for acquiring the Equity Shares held by me/us in the Target Company.

I/We, the undersigned, have read the Letter of Offer, Detailed Public Statement and understood their contents including the terms and conditions and procedure as mentioned therein and unconditionally accept such terms and conditions.

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

Details of Public Shareholder:

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

FOR EQUITY SHARES HELD IN PHYSICAL FORM:

I/We, confirm that our residential status under the Income Tax Act is as below (“✓” tick whichever is applicable).

Resident Non-Resident

I/ We, holding physical shares, accept this Open Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our Equity Shares as detailed below along with enclosures as mentioned herein:

Sr. No.	Regd. No.	Folio	Share Certificate Number	Distinctive Numbers		No. of Equity Shares
				From	To	
(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)					TOTAL	

Enclosures (“✓” whichever is applicable)

- Duly attested power of attorney, if any person apart from the Public Shareholder, has signed the Form of Acceptance-cum- Acknowledgement
- Original Equity Share certificate(s)
- Valid Equity Share transfer deed(s)
- Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorized signatories
- Duly attested/notarized death certificate and succession certificate / probate / letter of administration (in case of single Shareholder), in case the original Shareholder has deceased
- Self-attested copy of PAN card of all the transferor(s)
- Other relevant documents (please specify)

FOR ALL PUBLIC SHAREHOLDERS

1. I / We confirm that the Offer Shares which are being tendered herewith by me / us under this Open

Offer, are not locked in and are free from any pledges, liens, charges, equitable interests, non-disposal undertakings or any other form of encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

2. I / We have obtained any and all necessary consents to tender the Offer Shares on the foregoing basis.
3. I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/ our right to tender Offer Shares in this Open Offer and that I/we am/are legally entitled to tender the Offer Shares in this Open Offer.
4. I / We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the certifications, documents and signatures, as applicable submitted along with this Form of Acceptance. I / We undertake to return to the Acquirer any Open Offer consideration that may be wrongfully received by me / us.
5. I/We declare that regulatory approvals, if applicable, for holding the Offer Shares and/or for tendering the Offer Shares in this Open Offer are enclosed herewith.
6. I / We confirm that the sale and transfer of the Offer Shares held by me/us will not contravene any applicable law and will not breach the terms of any agreement (written or otherwise) that I/we are a party to. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the Equity Shares comprised in this application are owned by me / us. If any claim is made by any third party in respect of the said Equity Shares, I / we will hold the Acquirer harmless and indemnified against any loss they or either of them may suffer in the event these Equity Shares are acquired by the Acquirer.
7. I / We confirm that I / We are not persons acting in concert or persons deemed to be acting in concert with the Acquirer or the Seller.
8. I / We give my/our consent to the Acquirer and the PAC to file any statutory documents on my/our behalf in relation to accepting the Offer Shares in this Open Offer.
9. I / We confirm that I / we are in compliance with the terms of the Open Offer set out in the PA, the DPS, and the LOF.
10. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer and the PAC to effectuate this Open Offer in accordance with the SEBI (SAST) Regulations.
11. I / We are / am not debarred from dealing in shares or securities, including Equity Shares
12. I / We confirm that I / we have neither received any notice, nor have been subject to any investigation or inspection from any tax authority and there are no pending audits, examinations or assessments for or relating to any liability in respect of Tax. I / We are not involved in a dispute, litigation or claim in relation to Tax paid or payable in India. There are no pending tax proceedings and / or outstanding tax demands (disputed or otherwise) against me / us under the IT Act that can adversely affect the transfer of the Company Shares under the IT Act including but not limited to Section 281 of the IT Act.
13. I / We confirm that there are no taxes or other claims pending against me / us which may affect the legality of the transfer of Offer Shares under the Income Tax Act, including but not limited to section 281 of the Income Tax Act.
14. I / We note and understand that the Equity Shares would be kept in the pool account of my / our Selling Broker and the lien will be marked by Clearing Corporation until the settlement date whereby Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.

I / We also note and understand that the consideration will be paid only to those Shareholders who have validly tendered their Equity Shares in this Open Offer, in accordance with the terms of the LOF

15. I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Offer Shares or any other payments, I / we will indemnify the Acquirer and the PAC for such income tax demand (including interest, penalty, etc.) and provide the Acquirer and the PAC with all information / documents that may be necessary and co- operate in any proceedings before any income tax / appellate authority.
16. I / We authorise the Acquirer and the PAC to accept the Offer Shares so offered or such lesser number of Offer Shares which the Acquirer and the PAC may decide to accept in consultation with the Manager to the Open Offer and the Registrar to the Open Offer and in terms of the LOF. I / we further authorize the Acquirer and the PAC to return to me / us, Equity Shares in respect of which this Open Offer is not found valid / not accepted without specifying the reasons thereof.
17. The bank account details for the purpose of payment of consideration will be taken from the record of the depositories.

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

I/We, confirm that my/ our residential status as a shareholder is (√ whichever is applicable)

<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FII/FPI - Corporate	<input type="checkbox"/> FII/FPI - Others	<input type="checkbox"/> FVCI
<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Private Equity Fund	<input type="checkbox"/> Pension/ Provident Fund	<input type="checkbox"/> Sovereign Wealth Fund	<input type="checkbox"/> Partnership / Proprietorship Firm
<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs/PIOs- repatriable	<input type="checkbox"/> NRIs/ PIOs - non repatriable	<input type="checkbox"/> OCB	<input type="checkbox"/> QFI
<input type="checkbox"/> Insurance Company	<input type="checkbox"/> Indian Company	<input type="checkbox"/> Indian Trust	<input type="checkbox"/> Others - please Specify	

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

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

In case of non-resident Public Shareholders, I/We, confirm that the Offer Shares tendered by me/ us are held on (√ whichever is applicable)

- Repatriable basis
- Non - repatriable basis

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

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

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

- No RBI or other regulatory approval is required by me for tendering the Offer Shares in this Open Offer.
- Copies of all approvals required by me for tendering Offer Shares in this Open Offer are enclosed herewith.

Additional confirmations and enclosures for all Public Shareholders, as applicable I / We, have enclosed the following documents (√ whichever is applicable):

- Self-attested copy of PAN card.
- Self-declaration form in Form 15 G / Form 15 H, in duplicate copy.
- Certificate from Income-tax Authorities for deduction of tax at lower or nil rate.
- For Mutual Funds, Banks, LIC, Unit Trust of India and other specified entities, Notified Institutions covered under Section 194A (3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification.
- 'Valid Tax Residency Certificate' issued by the income tax authority of a foreign country of which he / it claims to be a tax resident, in case the Public Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Public Shareholder claims to be resident and a duly filled in 'Form 10F' as prescribed under the Income Tax Act. Such other information and documentation as may be required depending upon specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India.

SEBI registration certificate issued to Category I or Category II Alternative Investment Funds if such fund intends to claim exemption from TDS under Section 197A(1F) of the Income Tax Act.

BANK DETAILS

Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

Public Shareholders holding Equity Shares in physical form, the bank account details for the purpose of interest payment, if any, will be taken from details provided by you. Also kindly attached copy of cancel cheque for below account for verification.

Name of the Bank _____ Branch _____ City MICR Code (9 Digits) _____ IFSC _____
Account Number (CBS Account): _____ Account Type (CA / SB / NRE /NRO / others) (please specify): _____ Non- Resident Public Shareholders are requested to state their NRO / NRE Bank Account Number as applicable based on the status of their account in which they hold Physical Equity Shares.

In case of interest payments, if any, by the Acquirer and the PAC for delay in payment of Open Offer consideration or a part thereof, the Acquirer and the PAC will deduct taxes at source at the applicable rates as per the Income Tax Act. For details, please refer to instruction no. 13 & 14 given overleaf.

Yours faithfully,

Signed & Delivered	Full Name	PAN	Signature
Sole / First Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

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

Place:

Date:

-----TEAR HERE-----

Acknowledgement Receipt –**DAIKAFFIL CHEMICALS INDIA LIMITED**
- Open Offer

Received from Mr./Ms./Mrs. _____

Address:

Form of Acceptance-cum-Acknowledgement for Daikaffil Chemicals India Limited-Open Offer as per details below:

Copy of delivery instruction to depository participant of DPID _____ Client ID _____ for _____ Equity Shares

Date of Receipt:

Stamp of Collection Centre :

Signature of Official:

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, THE PAC, THE TARGET COMPANY OR THE MANAGER TO THE OPEN OFFER

1. This Form must be legible and should be filled in English only.
2. All queries pertaining to this Open Offer may be directed to the Registrar to the Open Offer.
3. Public Shareholders who desire to tender their Equity Shares in the dematerialized form under the Open Offer would have to do so through their respective selling member by indicating the details of Equity Shares they intend to tender under the Open Offer.
4. In case of Equity Shares held in joint names, names should be filled in the same order in this form as the order in which they hold the Equity Shares and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Open Offer.
5. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
6. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Open Offer Shares in respect of which the acceptance is being sent.
7. All documents/remittances sent by or to the Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.
8. The Selling Broker(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System.
9. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
10. The Procedure for Acceptance and Settlement of this Open Offer has been mentioned in the LOF at Section X.
11. The Letter of Offer along with the Form of Acceptance is being dispatched/ sent through electronic mail to all the Public Shareholders as of the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Open Offer on providing suitable documentary evidence of holding of the Equity Shares.
12. The Form of Acceptance or TRS is not required to be submitted to the Acquirer, PAC, Manager to the Open Offer or the Registrar to the Open Offer. Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgment unless required by their respective selling broker. Equity Shares under lock-in will be required to fill the respective Forms of Acceptance-cum-Acknowledgment.
13. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted for the Public Shareholders holding Equity Shares in demat form.
Interest payment, if any: In case of interest payments by the Acquirer and the PAC for delay in payment of Offer consideration or a part thereof, the Acquirer and the PAC will deduct taxes at source at the applicable rates as per the Income Tax Act.
14. If non-resident Public Shareholders had required any approval from the RBI or any other regulatory body in respect of the Offer Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Offer Shares, to tender the Offer Shares held by them pursuant to this Open Offer. Further, non-resident Public Shareholders must obtain all approvals required, if any, to tender the Offer Shares in this Open Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the LOF, and provide such other consents, documents and confirmations as may be required to enable the Acquirer and the PAC to purchase the Offer Shares so tendered. In the event any such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Offer Shares tendered in this Open Offer. If the Offer Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Offer Shares are held under general permission and whether they are held on repatriable basis or non-repatriable basis.
15. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Open Offer.

For resident Public Shareholders:

- Self-attested copy of PAN card

- Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
- Self-declaration in Form 15G / Form 15H (in duplicate), if applicable.
- For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For non-resident Public Shareholders:

- Self-attested copy of PAN card
- Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)
- Tax Residency Certificate and a no 'permanent establishment' / business connection declaration.

In an event of non-submission of NOC or certificate for deduction of tax at nil / lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirer.

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

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

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India

Contact Person: Ms. Pradnya Karanjekar

Phone.: +91 810 811 4949; **Fax No.:** + 91 22 49186060

Email: dcil.offer@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance E-mail: dcil.offer@linkintime.co.in

SEBI Registration No.: INR000004058

Form No. SH-4- Securities Transfer Form

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

Date of execution.....

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

CIN: L24114MH1992PLC067309

Name of the company (in full): DAIKAFFIL CHEMICALS INDIA LIMITED

Name of the Stock Exchange where the company is listed, if any: BSE LIMITED

DESCRIPTION OF SECURITIES:

Kind/Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
EQUITY SHARES	INR 10/-	INR 10/-	INR 10/-

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

Distinctive Number	From				
	To				
Corresponding Certificate Nos:					

TRANSFEROR'S PARTICULARS

Registered Folio Number		Attestation: I hereby attest the signature of the Transferor(s) herein mentioned.
Name(s) in full and PAN No. (attach copy of PAN Card)	Seller Signature (s)	Signature:
1.		Name:
2.		Address:
3.		Seal
I, hereby confirm that the Transferor has signed before me.	Witness Signature	
Name and Address of Witness		

TRANSFEEE'S PARTICULARS-

Name in full	Father's/ mother's/ Spouse name	Address/ Mobile/Ph. No./ E-mail ID
MIKUSU INDIA PRIVATE LIMITED	NOT APPLICABLE	2nd Floor, A Wing, Fortune Avirahi Jain Derasar Lane, Borivali, Mumbai - 400092, Maharashtra, India
Occupation	Existing folio no., if any & PAN No.	Signature
	AAPCM6460J	

Folio No. of Transferee : _____

Specimen Signature of Transferee

Existing Folio No. If any
1. _____

2. _____

Value of stamp affixed: _____(Rs.)

Declaration:

- Transferee is not required to obtain the Government approval under the Foreign Exchange Management (Non debt Instruments) Rules, 2019 prior to transfer of shares; or
- Transferee is required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.

Enclosures:

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

Stamps:

For office use only

Checked by _____

Signature tallies by _____

Entered in the Register of Transfer on
_____ vide Transfer No. _____

Approval Date _____

Power of attorney/Probate/Death Certificate/Letter of administration
registered on _____ at
No. _____

On the reverse page of the certificate

Name of the Transferor	Name of the Transferee	No. of Shares	Date of Transfer
_____	_____	_____	_____

Signature of the authorized signatory