



Corporate and
Investment Banking

March 16, 2020

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Dear Sir/Madam,

Sub: Draft Letter of Offer (“DLoF”) for open offer (“Offer”) for acquisition of up to 8,207,680 Equity Shares from shareholders of Ingersoll-Rand (India) Limited (“Target”) by Ingersoll Rand Inc. (earlier named as Gardner Denver Holdings, Inc.) (the “Acquirer”) along with Ingersoll-Rand U.S. HoldCo, Inc. (the “PAC 1”) and Ingersoll-Rand Industrial U.S., Inc. (the “PAC 2”, and together with the PAC 1, the “PACs”), in their capacity as persons acting in concert with the Acquirer, pursuant to and in compliance with Regulation 3, 4 and 5(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended (“Takeover Regulations”).

With respect to the captioned, we, the Managers to the Offer, enclose the DLoF dated March 16, 2020 required to be sent to you in terms of the Regulation 18(1) of the Takeover Regulations.

Kindly acknowledge receipt.

Thanking you,

For **Citigroup Global Markets India Private Limited**

Authorized Signatory
Name: Varun Chokhani
Designation: Director
Contact Number: +91 22 6175 9999
Email: varun.chokhani@citi.com
Encl: as above



DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer (*as defined below*) will be sent to you as a Public Shareholder (*as defined below*) of Ingersoll-Rand (India) Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager (*as defined below*) or the Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*), please hand over the Letter of Offer, and the accompanying Form of Acceptance-cum-Acknowledgement (*as defined below*) and transfer deed to the member of stock exchange through whom the said sale was effected.

INGERSOLL RAND INC. (formerly known as Gardner Denver Holdings, Inc.)

Registered office: Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware, 19801 United States of America;
Tel: +1 704-655-4000; Fax: +1 855-256-5774
(hereinafter referred to as the “Acquirer”)

ALONG WITH

INGERSOLL-RAND U.S. HOLDCO, INC.

Registered office: 251 Little Falls Drive, Wilmington, DE 19808, County of New Castle, Delaware, United States of America;
Tel: +1 704-655-4000; Fax: +1 855-256-5774
(hereinafter referred to as the “PAC 1”)

AND

INGERSOLL-RAND INDUSTRIAL U.S., INC.

Registered office: 251 Little Falls Drive, Wilmington, DE 19808, County of New Castle, Delaware, United States of America;
Tel: +1 704-655-4000; Fax: +1 855-256-5774

(hereinafter referred to as the “PAC 2”, and together with the PAC 1, the “PACs”)



MAKE A CASH OFFER OF INR 642.63 (INDIAN RUPEES SIX HUNDRED FORTY TWO AND SIXTY THREE PAISE) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN) EACH, TO ACQUIRE UP TO 8,207,680 (EIGHT MILLION TWO HUNDRED SEVEN THOUSAND SIX HUNDRED EIGHTY) EQUITY SHARES REPRESENTING 26% OF THE VOTING SHARE CAPITAL (AS DEFINED BELOW), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED BELOW), FROM THE PUBLIC SHAREHOLDERS OF INGERSOLL-RAND (INDIA) LIMITED

A public limited company incorporated under the Companies Act, 1956

Registered office: First Floor, Subramanya Arcade, No. 12/1, Bannerghatta Road, Bengaluru 560 029;
Tel: +91 80 4685 5100; Fax: +91 80 4169 4399; Website: <https://www.irco.com>
(hereinafter referred to as the “Target Company”/ “Target”)

1. This Offer (*as defined below*) is made pursuant to and in compliance with the provisions of Regulations 3(1), 4, 5(1) and other applicable regulations of the SEBI (SAST) Regulations.
2. This 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 Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. NRIs (*as defined below*), OCBs (*as defined below*) and other non-resident holders of the Equity Shares, if any, must obtain all requisite approvals/ exemptions required to tender the Equity Shares held by them pursuant to this Offer (including, without limitation, approval from the RBI (*as defined below*) since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required under this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs (*as defined below*)) had required any approvals (including from the RBI, or any other regulatory body, if applicable) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or the PACs reserve the right to reject such Equity Shares tendered in this Offer.
5. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
6. To the best of the knowledge of the Acquirer and the PACs, as on the date of this Draft Letter of Offer, there are no statutory approvals required by the Acquirer and the PACs to complete the acquisition of the Offer Shares (*as defined below*) under this Offer. However, in case any statutory approvals are required by the Acquirer and/or the PACs prior to completion of the Offer, this Offer shall be subject to such approvals being obtained. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/or the PACs, the Acquirer and the PACs may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of the Offer, the Acquirer and the PACs (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (*as defined below*) was published, stating grounds for such withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
7. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer and/or the PACs shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis, in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
8. The Offer Price (*as defined below*) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs at any time prior to 1 (One) 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 PACs shall (i) make corresponding increases to the amount kept in the Open Offer Escrow Account (*as defined below*) under Regulation 17 of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (*as defined below*), the Stock Exchanges (*as defined below*) and the Target Company at its registered office, of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period. However, the Acquirer and/or the PACs shall not acquire any Equity Shares during the period commencing from 3 (Three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.
9. **As per the information available with the Acquirer, the PACs and the Target Company, there has been no competing offer as of the date of this Draft Letter of Offer. If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**

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

Manager to the Offer	Registrar to the Offer
 Citi Group Global Markets India Private Limited 1202, 12th Floor, First International Financial Centre, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai 400098, Maharashtra, India Tel: +91-22-61759999 Fax: +91-22-61759898 Website: https://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Contact Person: Mr. Dheeraj Janakiraman Email: ingersollrand.openoffer@citigroup.com SEBI Registration Number: INM000010718	 Link Intime India Private Limited C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India Tel: +91-22-49186200 Fax: +91-22-49186195 Website: www.linkintime.co.in Contact Person: Mr. Sumeet Deshpande Email: ingersollrand.offer@linkintime.co.in SEBI Registration Number: INR000004058

The schedule of activities under the Offer is as follows:

Activity	Schedule of activities (Day & Date)
Date of the Public Announcement	Tuesday, May 7, 2019
Date of publication of the Detailed Public Statement	Friday, March 6, 2020
Filing of the Draft Letter of Offer with SEBI	Monday, March 16, 2020
Last date for public announcement for a competing offer(s)	Tuesday, March 31, 2020
Last date for receipt of SEBI observations on the Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager)	Thursday, April 9, 2020
Identified Date*(<i>as defined below</i>)	Wednesday, April 15, 2020
Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appear on the register of members on the Identified Date	Wednesday, April 22, 2020
Last date for upward revision of the Offer Price/ Offer Size (<i>as defined below</i>)	Monday, April 27, 2020
Last date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	Monday, April 27, 2020
Date of publication of Offer Opening Public Announcement (<i>as defined below</i>) in the newspapers in which the Detailed Public Statement has been published	Tuesday, April 28, 2020
Date of commencement of the Tendering Period (Offer Opening Date)	Wednesday, April 29, 2020
Date of closure of the Tendering Period (Offer Closing Date)	Thursday, May 14, 2020
Last date for communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Friday, May 29, 2020
Last date for filing the report with SEBI	Friday, June 5, 2020
Last date for publication of post-Offer public announcement in the newspapers in which the Detailed Public Statement has been published	Friday, June 5, 2020

Note: *The schedule of activities mentioned above is tentative and based on the assumption that SEBI's comments to this Draft Letter of Offer will be received on April 9, 2020. Accordingly, the dates for the above mentioned activities, wherever mentioned in this Draft Letter of Offer, are subject to change.*

* *Date falling on the 10th Working Day prior to the commencement of the Tendering Period. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that, subject to Part 6 (Terms and Conditions of the Offer) below, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in the Offer at any time prior to the Offer Closing Date.*

RISK FACTORS

The risk factors set forth below are indicative only and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associating with the Acquirer and the PACs. The risk factors set forth below do not relate 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 or comprehensive analysis of the risks involved in or associated with the participation by a Public Shareholder in this Offer, but are merely indicative. The Public Shareholders are advised to consult their respective stockbrokers, investment consultants, and legal, tax or other advisors of their choosing, in order to analyse and understand all the risks with respect to their participation in this Offer.

A. RISKS RELATING TO THE UNDERLYING TRANSACTION

Not applicable, as the Underlying Transaction has been closed, on February 29, 2020.

B. RISKS RELATING TO THE OFFER

1. To the best of the knowledge of the Acquirer and the PACs, as on the date of this Draft Letter of Offer, there are no statutory approvals required by the Acquirer and the PACs to complete the acquisition of the Offer Shares under this Offer. However, in case any statutory approvals are required by the Acquirer and/or the PACs prior to completion of the Offer, this Offer shall be subject to such approvals being obtained. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/or the PACs, the Acquirer and the PACs may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations.
2. In case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of such approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer and the PACs agreeing to pay interest to the Public Shareholders for delay, at such rate as may be specified by SEBI. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirer and the PACs will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
3. NRIs, OCBs and other non-resident holders of the Equity Shares, if any, must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation, the approval from the RBI, if applicable) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or the PACs shall reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) had required any approvals (including from the RBI or any other regulatory body, if applicable) 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, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirer and/or the PACs shall reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that such Equity Shares are held under general permission, furnish a copy of the relevant notification / circular pursuant to which the Equity Shares are held and clarify whether the Equity Shares are held on repatriable basis or non repatriable basis.
4. In the event that: (a) regulatory or statutory approvals required, if any, are not received in time, or (b) there is any litigation leading to a stay/ injunction on the Offer or that restricts/ restrains the Acquirer/ PACs from performing their obligations hereunder, or (c) SEBI instructing the Acquirer/ PACs not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are accepted under the Offer as well as the return of Equity Shares that have not been accepted under the Offer by the Acquirer/ PACs may be delayed.

5. Public Shareholders who have lodged their acceptance to this Offer are not entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of their Equity Shares in this Offer and/or payment of consideration is delayed.
6. The Offer is an offer to acquire not more than 26% of the Voting Share Capital from the Public Shareholders, calculated as on the 10th (Tenth) Working Day from the closure of the Tendering Period. In case of over-subscription in the Offer, acceptance would be determined on a proportionate basis as detailed in Part 8, paragraph 8.13.2 of this Draft Letter of Offer and hence, there is no certainty that all the Equity Shares tendered by the Public Shareholders in the Offer will be accepted.
7. The tendered Equity Shares and documents will be held by the Registrar to the Offer on trust for the Acquirer/ PACs, till the process of acceptance of tenders and the payment of consideration is completed. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer. During such period, there may be fluctuations in the market price of the Equity Shares.
8. The Acquirer/ PACs make no assurance with respect to the market price of the Equity Shares, both during the period that the Offer is open and upon completion of the Offer, and disclaim any responsibility with respect to any decision taken by the Public Shareholders with respect to whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
9. The Public Shareholders are advised to consult the stockbroker, investment consultants, and legal, financial, tax, or other advisors and consultants of their choosing, for assessing further risks with respect to their participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirer. The Acquirer and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer, and all shareholders should independently consult their respective tax advisors.
10. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, the PACs or the Manager to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
11. The Acquirer, the PACs and the Manager do not accept responsibility for the statements made with respect to the Target Company (pertaining to the information which has been compiled from information published or provided by the Target Company, or publicly available sources, and which information has not been independently verified by the Acquirer, the PACs or the Manager) in connection with this Offer as set out in this Draft Letter of Offer, the Detailed Public Statement, the Public Announcement and the Letter of Offer or any corrigendum issued by or at the instance of the Acquirer, the PACs or the Manager. Further, the Acquirer, the PACs and the Manager accept no responsibility made otherwise than in this Draft Letter of Offer, the Detailed Public Statement the Public Announcement and the Letter of Offer; any person placing reliance on any other source of information (not released by the Acquirer, the PACs, or the Manager) would be doing so at its/ his/ her own risk.

C. Risks relating to the Acquirer and the PACs:

1. The Acquirer and the PACs make no assurance with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
2. The Acquirer and the PACs make no assurance with respect to its investment/ divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer and the PACs cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer, and each of them expressly

disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision taken by any Public Shareholder with respect to participation in the Offer.

4. As a result of the Equity Shares accepted in the Offer, the non-public shareholding in the Target Company may exceed the maximum permissible non-public shareholding, as required to be maintained as per the SEBI (SAST) Regulations and the SEBI (LODR) Regulations (*as defined below*), read with the SCRR (*as defined below*). While the Acquirer and the PACs are required to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and the SEBI (LODR) Regulations, within the time period stated therein, through permitted routes and any other such routes as may be approved by SEBI from time to time, any failure to comply with the conditions of aforesaid regulations could have an adverse effect on the price and tradability of the Equity Shares of the Target Company.
5. None of the Acquirer, the PACs or the Manager will be responsible in any manner for any loss of Equity Share certificate(s) and Offer acceptance documents during transit.

DISCLAIMER FOR U.S. PERSONS:

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulation S under the US Securities Act of 1933, as amended, and who are not physically present in the USA. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the USA or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES:

This Draft Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

1. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.
2. In this Draft Letter of Offer, all references to “Rupees” and “INR” are references to Indian Rupees, the lawful currency of India, and references to “USD” and “\$” are to the United States Dollar, the lawful currency of the United States of America. All the data presented in USD in this Draft Letter of Offer has been converted into INR for convenience purposes only. Unless otherwise stated, the INR equivalent quoted in each case, is calculated in accordance with the Financial Benchmarks India Private Limited reference rate as on May 6, 2019 (on the date preceding the Public Announcement date) i.e. USD 1 = INR 69.3558 (source: <https://fbil.org.in>).

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1. **DEFINITIONS / ABBREVIATIONS**

Particulars	Details / Definition
Acquirer	Ingersoll Rand Inc. (formerly known as Gardner Denver Holdings, Inc.), a publicly listed corporation, incorporated on March 1, 2013, under the laws of the State of Delaware, United States of America, having its registered office at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware, 19801, United States of America
Acquisition Window	Stock exchange mechanism made available by the Stock Exchanges in the form of a separate window to implement the Offer, as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016
AOP	Association of Persons
Bank Guarantee	An unconditional, irrevocable, and on demand bank guarantee, dated March 3, 2020 having bank guarantee number 5570602403, of an amount of INR 127,74,50,139.84 (Indian Rupees One Hundred Twenty Seven Crore Seventy Four Lakh Fifty Thousand One Hundred Thirty Nine and Eighty Four Paise) from Citibank, N.A. (acting through its branch, namely Citibank, N.A. Bangalore branch, presently situated at No. 5 M.G. Road, 2 nd Floor, Bangalore – 560 001), issued in favor of the Manager
BOI	Body of Individuals
Board/ Board of Directors	Board of directors of the Target Company
BSE	BSE Limited
Buying Broker	Citigroup Global Markets India Private Limited, appointed by the Acquirer and the PACs as registered broker through whom the purchases and settlements on account of the Offer Shares tendered under the Offer shall be made
CDSL	Central Depository Services (India) limited
Charm	Charm Merger Sub Inc., an erstwhile wholly owned subsidiary of the Acquirer
Clearing Corporation	The Clearing Corporation of India Limited
CKYC	Central Know Your Client
Depositories	CDSL and NSDL
Designated Stock Exchange	BSE
Detailed Public Statement/ DPS	The detailed public statement in connection with the Offer, published on behalf of the Acquirer and the PACs on March 6, 2020 in the following newspapers: Financial Express (English, all editions), Jansatta (Hindi, all editions), Vishwavani (Kannada, Bangalore edition) and Navshakti

Particulars	Details / Definition
	(Marathi, Mumbai edition)
D.I.N	Director identification number
Draft Letter of Offer/ DLoF	This Draft Letter of Offer, dated March 16, 2020, filed with the SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
DTAA	The Double Taxation Avoidance Agreement
Escrow Bank	Citibank, N.A. (acting through its office at 11th Floor, First International Financial Centre, C-54 & 55, G Block, Bandra Kurla Complex, Bandra – East, Mumbai – 400 098)
Equity Share(s)	Fully paid up equity shares of the Target Company having a face value of INR 10 (Indian Rupees Ten) each, carrying voting rights, and including any security which entitles the holder thereof to exercise voting rights vis’ a’ vis the Target Company
FEMA	The Foreign Exchange Management Act, 1999, as amended
Form of Acceptance-cum-Acknowledgement	The form of acceptance-cum-acknowledgement, which will be part of the Letter of Offer
FPIs	Foreign portfolio investor(s), as defined under Regulation 2(h) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
GAAR	General Anti-Avoidance Rules
HUF	Hindu undivided family
Identified Date	The date falling on the 10 th (Tenth) Working Day prior to the commencement of the Tendering Period
KRA	KYC registration agency
KYC	Know your client
Income Tax Act/ IT Act	The Income Tax Act, 1961, as amended
IRC	Ingersoll-Rand Company
Letter of Offer	The Letter of Offer, duly incorporating SEBI’s comments on the Draft Letter of Offer, and including the Form of Acceptance-cum-Acknowledgement
LTCG	Long-term capital gains
Manager/ Manager to the Offer	Citi Group Global Markets India Private Limited
Maximum Open Offer Consideration	The maximum consideration payable under this Offer, assuming full acceptance of this Offer, being of INR 527,45,01,398.40 (Indian Rupees Five Hundred Twenty Seven Crore Forty Five Lakh One Thousand Three

Particulars	Details / Definition
	Hundred Ninety Eight and Forty Paise)
MAT	Minimum alternate tax
Merger Agreement	Agreement and Plan of Merger, dated as of April 30, 2019, entered into amongst the Acquirer, Trane, the PAC 1 and Charm, read with the Separation and Distribution Agreement, dated as of April 30, 2019, by and between Trane and the PAC 1
NRI	Non-resident Indians
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
NYSE	New York Stock Exchange
OCBs	Overseas corporate bodies
Offer/ Open Offer	This open offer, which is being made by the Acquirer and the PACs to the Public Shareholders of the Target, to acquire up to 8,207,680 (Eight Million Two Hundred Seven Thousand Six Hundred Eighty) Equity Shares, representing 26% of the Voting Share Capital, at a price of INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) per Equity Share
Offer Period	The period from the date of entering into the Merger Agreement to the date on which the payment of consideration to the Public Shareholders whose Equity Shares are accepted in this Open Offer is made, or the date on which this Open Offer is withdrawn, as the case may be
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period to be made on behalf of the Acquirer and the PACs in accordance with Regulation 18(7) of the SEBI (SAST) Regulations
Offer Price	INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) per Offer Share, consisting of INR 592.02 (Indian Rupees Five Hundred Ninety Two Rupees and Two Paise) per Offer Share plus interest of INR 50.61 (Indian Rupees Fifty and Sixty One Paise) per Offer Share, computed at the rate of 10% per annum, for the period between April 30, 2019 and March 6, 2020 (being the date of publication of the DPS), in terms of Regulation 8(12) of SEBI (SAST) Regulations
Offer Shares	8,207,680 (Eight Million Two Hundred Seven Thousand Six Hundred Eighty) fully paid up Equity Shares of the Target Company, representing 26% of the Voting Share Capital
Offer Size	8,207,680 (Eight Million Two Hundred Seven Thousand Six Hundred Eighty) fully paid up Equity Shares of the Target Company, representing 26% of the Voting Share Capital, aggregating to a total consideration of INR 527,45,01,398.40 (Indian Rupees Five Hundred Twenty Seven Crore Forty Five Lakh One Thousand Three Hundred Ninety Eight and Forty Paise)
Open Offer Escrow Account	The escrow account with account number 22918001 and account name "INGERSOLL-RAND INDIA LTD OPEN OFFER ESCROW ACCOUNT" opened by the Acquirer with the Open Offer Escrow Agent,

Particulars	Details / Definition
	in accordance with the SEBI (SAST) Regulations
Open Offer Escrow Agreement	The escrow agreement dated February 28, 2020, entered into amongst the Escrow Bank, the Open Offer Escrow Agent and the Manager
Open Offer Escrow Amount	The amount aggregating to INR 5,27,50,000 (Indian Rupees Five Crore Twenty Seven Lakh Fifty Thousand) maintained by the Acquirer with the Open Offer Escrow Agent in accordance with the Open Offer Escrow Agreement
Open Offer Special Escrow Account	The cash special escrow account opened with the Open Offer Escrow Agent in terms of the SEBI (SAST) Regulations, being the account from which funds will be transferred for the benefit of the eligible Public Shareholders tendering their Equity Shares in the Offer
PACs/ Persons Acting in Concert	PAC 1 and PAC 2, collectively
PAC 1	Ingersoll-Rand U.S. HoldCo, Inc., a corporation, incorporated on April 26, 2019 under the laws of the State of Delaware, United States of America, having its registered office at 251 Little Falls Drive, Wilmington, DE 19808, County of New Castle, Delaware, United States of America
PAC 2	Ingersoll-Rand Industrial U.S., Inc., a corporation, incorporated on June 18, 2019 under the laws of the State of Delaware, United States of America, having its registered office at 251 Little Falls Drive, Wilmington, DE 19808, County of New Castle, Delaware, United States of America
PAN	Permanent account number
Public Announcement/ PA	The public announcement, dated May 7, 2019, issued in connection with the Offer by the Manager to the Offer
Public Shareholder(s)	All the public shareholders of the Target Company, and for the avoidance of doubt, excluding (i) the members of the promoter and promoter group of the Target Company; (ii) the Acquirer; (iii) the PAC 1; (iv) the PAC 2; (v) the parties to the Merger Agreement; and (vi) the persons acting in concert or deemed to be acting in concert with the persons set out in (i), (ii), (iii), (iv) and (v)
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI (LODR) Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (SAST)	The Securities and Exchange Board of India (Substantial Acquisition of

Particulars	Details / Definition
Regulations	Shares and Takeovers) Regulations, 2011, as amended
SEC	Securities & Exchange Commission (United States of America)
Selling Broker(s)	The stock brokers registered with the Stock Exchanges, appointed by the respective Public Shareholders
STCG	Short-term capital gain
Stock Exchanges	BSE and NSE
Target/ Target Company	Ingersoll-Rand (India) Limited
Tendering Period	Period commencing from April 29, 2020 and closing on May 14, 2020 (both days inclusive)
Trane	Trane Technologies plc (formerly known as Ingersoll-Rand plc)
Underlying Transaction	As defined in paragraph 3.1.2 (<i>Background to the Offer</i>)
Voting Share Capital	The total voting equity share capital of the Target Company, on a fully diluted basis, as of the 10 th (Tenth) Working Day from the closure of the Tendering Period for the Offer
Working Day(s)	A working day of SEBI, in Mumbai

Note: All capitalized terms used in this Draft Letter of Offer, but not specifically defined herein, shall have the meanings ascribed to them under the SEBI (SAST) Regulations.

2. DISCLAIMERS

2.1 SEBI DISCLAIMER

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACs OR THE TARGET COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER AND THE PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CITI GROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 16, 2020, TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

2.2 GENERAL DISCLAIMER

This Draft Letter of Offer, together with the DPS and the PA in connection with the Offer, has been prepared for the purposes of compliance with the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The PA, the DPS, this Draft Letter of Offer, the Letter of Offer and/or any other advertisement/publications made or delivered in connection with the Offer under any circumstances, do not create any implication that there has been a change in the affairs of the Target Company, the Acquirer, the PACs and any persons deemed to be acting in concert with the Acquirer, since the date hereof or that the information contained therein is correct as at any time subsequent to the date thereof. Further, it is not to be implied that the Acquirer, the PACs, or any other persons deemed to act in concert with the Acquirer, are under any obligation to update the information contained therein at any time after the date thereof.

2.2.1 No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all Public Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the PA, the DPS, this Draft Letter of Offer, the Letter of Offer or any other advertisement/publications made or delivered in connection with the Offer by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the PA, the DPS, this Draft Letter of Offer, the Letter of Offer and/or any other advertisement/publications made or delivered in connection with the 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 Public Shareholder in such a jurisdiction may tender his, her or its Equity Shares in this Offer.

2.2.2 Persons in possession of the PA, the DPS, the Letter of Offer and/or any other advertisement/publications made or delivered in connection with the Offer, are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity

Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

3. DETAILS OF THE OFFER

3.1 Background to the Offer

- 3.1.1 The Offer is a mandatory open offer in compliance with Regulations 3(1), 4 and 5(1), and other applicable regulations of the SEBI (SAST) Regulations, pursuant to an indirect acquisition of voting rights in, and control, by the Acquirer over the Target Company, pursuant to the Merger Agreement. In a report dated March 6, 2020, prepared by SSPA & Co., Chartered Accountants (Registration Number 128851W), located at 1st floor, 'Arjun', V.P. Road, Andheri (W), Mumbai- 400 058, the provisions of Regulation 5(2) of the SEBI (SAST) Regulations have been analyzed, and SSPA & Co. has concluded that the Underlying Transaction does not constitute a 'deemed direct acquisition' under Regulation 5(2) of the SEBI (SAST) Regulations.
- 3.1.2 On April 30, 2019, the Acquirer announced that it had entered into the 'Agreement and Plan of Merger', with Trane, PAC 1 and Charm, in order to *inter alia* acquire the industrial business segment of Trane, which includes the manufacture of compressed air and gas systems and services, power tools, material handling systems and fluid management systems, immediately following the spin-off of such industrial business to the shareholders of Trane (collectively, the "**Underlying Transaction**"). Pursuant to the terms of the Merger Agreement and in order to facilitate the transfer of the Trane group's industrial business to the Acquirer, amongst other steps, the Trane group restructured the holding and legal organization of its global industrial business across various jurisdictions to separate and consolidate the same under the PAC 1. The Underlying Transaction was completed on February 29, 2020.
- 3.1.3 The key steps undertaken to give effect to the Underlying Transaction, are outlined below:
- (a) prior to the spin-off of the PAC 1 to the shareholders of Trane (as described in paragraph (b) below), the PAC 1, at the time a wholly owned subsidiary of Trane, became the parent company for the entire industrial business segment of Trane, as held by Trane through various group companies (including the PAC 2);
 - (b) Trane spun-off the PAC 1 to its shareholders and all of the shares of common stock of the PAC 1, as held by Trane prior to the consummation of the Underlying Transaction, were distributed to the shareholders of Trane, such that the PAC 1 came to be owned by the shareholders of Trane prior to the consummation of the Underlying Transaction;
 - (c) subsequently, Charm (an erstwhile wholly owned subsidiary of the Acquirer), which was disclosed as a person acting in concert with the Acquirer in the PA, was merged with and into the PAC 1, and thus ceased to exist, with the PAC 1 continuing as the surviving entity of such merger and becoming a wholly owned subsidiary of the Acquirer and shares of common stock of the Acquirer were issued to the PAC 1 shareholders in exchange for all of their shares of common stock of the PAC 1, as further described below;
 - (d) as a result of the above, the Acquirer acquired 100% of the outstanding common stock of the PAC 1, thus resulting in an indirect acquisition of approximately 74% of the Voting Share Capital and an indirect change of control of the Target Company; and
 - (e) at the completion of the Underlying Transaction, the Acquirer was renamed from Gardner Denver Holdings, Inc. to Ingersoll Rand Inc.
- 3.1.4 Pursuant to the terms of the Merger Agreement, as consideration for the merger of Charm into the PAC 1, the shareholders of Trane received shares of the Acquirer in exchange for their shares in the PAC 1. Consequently, pursuant to the Underlying Transaction and immediately following its completion, the shareholders of Trane owned approximately 50.1% of the common stock in the Acquirer, on a fully-diluted basis.
- 3.1.5 Accordingly, upon consummation of the Underlying Transaction under the Merger Agreement, the Acquirer has become the direct owner of the PAC 1, and the ultimate parent company of the PAC 2

and the Target Company. The consummation of the Underlying Transaction has resulted in an indirect acquisition by the Acquirer of approximately 74% of the Voting Share Capital and control over the Target Company.

- 3.1.6 Following the consummation of the Underlying Transaction, the Acquirer's board of directors consists of 10 (Ten) directors, with 7 (Seven) directors who served on the Acquirer's board of directors, prior to consummation of the Underlying Transaction, and 3 (Three) new directors nominated by Trane.
- 3.1.7 There has been a change in the 'persons acting in concert' from the PA for the Offer, whereby Charm which was a wholly owned subsidiary of the Acquirer at the time of issuance of the PA and indicated as "PAC" thereunder, has been replaced with the PAC 1 on account of Charm having merged with and into the PAC 1 as part of the Underlying Transaction. The PAC 1 continued as the surviving entity of such merger, became the wholly owned subsidiary of the Acquirer, and is also the acquiring entity for the entire industrial business segment of Trane, including the PAC 2 and the Target Company.
- 3.1.8 The acquisition will not be regarded as a deemed direct acquisition of control over the Target Company as it does not fall within the parameters prescribed under Regulation 5(2) of the SEBI (SAST) Regulations.
- 3.1.9 The indirect acquisition of voting rights in and control by the Acquirer over the Target Company is not through any scheme of arrangement under the Indian laws.
- 3.1.10 The Acquirer, together with the PACs, is making this Offer to all the Public Shareholders, to acquire up to 8,207,680 (Eight Million Two Hundred Seven Thousand Six Hundred Eighty) Equity Shares, representing 26% of the Voting Share Capital.
- 3.1.11 All Equity Shares validly tendered in this Offer will be acquired by the Acquirer and/or the PACs, in accordance with the terms and conditions set forth in this Draft Letter of Offer. The Equity Shares to be acquired under this Offer must be free from all liens, charges, equitable interests and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 3.1.12 The Acquirer and the PACs 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 of the regulations made under the SEBI Act.
- 3.1.13 Other than Mr. Amar Kaul, Mr. Naveen Samant and Ms. Preeti Gupta Mohanty, the nominee directors of PAC 2 appointed on the Board of Directors, as on the date of this Draft Letter of Offer, there are no directors appointed by the Acquirer or the PACs on the Board of Directors, and no directors of the Acquirer or the PACs are on the Board of Directors. The Acquirer and the PACs reserve the right to appoint its nominee(s) on the Board of Directors during the Offer Period, in accordance with the SEBI (SAST) Regulations, by depositing 100% of the Maximum Open Offer Consideration payable under the Offer in the Open Offer Escrow Account, as required under Regulation 24(1) of the SEBI (SAST) Regulations. As of the date of this Draft Letter of Offer, the Acquirer and the PACs have not made any decision with regard to the appointment of additional directors on the Board of Directors.
- 3.1.14 In accordance with Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors shall constitute a committee of independent directors to provide its written reasoned recommendation on this Offer to the Public Shareholders. Such recommendation shall be published by the Target Company at least 2 (Two) Working Days prior to the commencement of the Tendering Period in the same newspapers in which the DPS was published, in compliance with Regulation 26(7) of the SEBI (SAST) Regulations. Simultaneously, a copy of such recommendations will be sent by the Target Company to SEBI, the Stock Exchanges and to the Manager.

3.2 Details of the Proposed Offer

- 3.2.1 The Public Announcement in connection with the Offer was made by the Manager to the Offer on May 7, 2019 to the Stock Exchanges, and a copy thereof was sent to the Target Company (at its registered office) and the SEBI on May 8, 2019.

- 3.2.2 The Manager has, on behalf of the Acquirer and the PACs, published the Detailed Public Statement on March 6, 2020 in terms of the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, within 5 (five) Working Days of the consummation of the Underlying Transaction, in the following newspapers:

Newspaper	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Vishwavani	Kannada	Bangalore
Navshakti	Marathi	Mumbai

The Detailed Public Statement was also submitted to SEBI and the Stock Exchanges and sent to the Target Company on March 6, 2020. A copy of each of the PA and the Detailed Public Statement is also available on the website of SEBI (www.sebi.gov.in).

- 3.2.3 This Offer is being made by the Acquirer along with the PACs to the Public Shareholders to acquire the Offer Shares i.e. up to 8,207,680 (Eight Million Two Hundred Seven Thousand Six Hundred Eighty) fully paid up Equity Shares of the Target Company, representing 26% of the Voting Share Capital, at the Offer Price of INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) per Offer Share, consisting of INR 592.02 (Indian Rupees Five Hundred Ninety Two Rupees and Two Paise) per Offer Share plus interest of INR 50.61 (Indian Rupees Fifty and Sixty One Paise) per Offer Share, computed at the rate of 10% per annum, for the period between April 30, 2019 and March 6, 2020, being the date of publication of the DPS, in terms of Regulation 8(12) of SEBI (SAST) Regulations, aggregating to the Maximum Open Offer Consideration i.e. INR 527,45,01,398.40 (Indian Rupees Five Hundred Twenty Seven Crore Forty Five Lakh One Thousand Three Hundred Ninety Eight and Forty Paise). The Offer Price shall be payable in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 3.2.4 As of the date of this Draft Letter of Offer, there are no (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (including warrants, fully convertible securities, partly convertible securities and employee stock options) issued by the Target Company.
- 3.2.5 There is no differential pricing for the Offer.
- 3.2.6 The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs at any time prior to 1 (One) Working Day before the commencement of the Tendering Period, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs are required to (i) make corresponding increases to the amount kept in the Open Offer Escrow Account, as set out in Section 5.2 (*Financial Arrangements*) of this Draft Letter of Offer; (ii) make a public announcement in the newspapers where the DPS was published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office, of such revision.
- 3.2.7 The Offer 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 Draft Letter of Offer.
- 3.2.8 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.
- 3.2.9 To the best of the knowledge of the Acquirer and the PACs, as on the date of this Draft Letter of Offer, there are no statutory approvals required by the Acquirer and the PACs to complete the acquisition of the Offer Shares under this Offer. However, in case any statutory approvals are required by the Acquirer and/or the PACs prior to completion of the Offer, this Offer shall be subject to such approvals being obtained. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/or the PACs, the Acquirer and the PACs may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations.
- 3.2.10 Withdrawal of the Offer pursuant to paragraph 3.2.9 above, would be subject to the approval of SEBI under Regulation 23(1)(d) of the SEBI (SAST) Regulations. In the event of such withdrawal,

the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations by way of a public announcement in the same newspapers in which the Detailed Public Statement had appeared and SEBI, the Stock Exchanges and the Target Company would simultaneously be informed in writing (in the case of the Target Company, at its registered office).

- 3.2.11 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer 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 Offer. Further, the Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges, equitable interests and encumbrances. The Acquirer and/or the PACs shall acquire the Equity Shares of the Public Shareholders in accordance with the terms and conditions set forth in this Draft Letter of Offer and the terms and conditions which will be set out in the Letter of Offer to be sent to all the Public Shareholders in relation to this Offer, the relevant provisions of the SEBI (SAST) Regulations, and any other applicable laws. The Acquirer and/or the PACs shall acquire the Equity Shares of the Public Shareholders who validly tender their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividends, bonuses and rights offers declared thereof.
- 3.2.12 NRIs, OCBs and other non-resident holders of the Equity Shares, if any, must obtain all requisite approvals/exemptions required to tender the Equity Shares held by them, in this Offer, and submit such approvals/exemptions along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) had required any approvals/exemptions (including from the RBI or any other regulatory body, if applicable) in respect of the Equity Shares held by them, they will be required to submit such previous approvals/exemptions that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals/exemptions are not submitted, the Acquirer and/or the PACs reserve the right to reject such Equity Shares tendered in this Offer.
- 3.2.13 Other than the Equity Shares acquired by the PAC 2 as part of the restructuring undertaken by the Trane group, which was an exempt transaction under the Regulation 10(1)(a)(iii) of the SEBI (SAST) Regulations, prior to consummation of the Underlying Transaction, the Acquirer and the PACs have not directly acquired any Equity Shares of the Target Company between the date of the PA, i.e., May 7, 2019, and the date of this Draft Letter of Offer.
- 3.2.14 As per Regulation 38 of the SEBI LODR Regulations read with Rule 19A of the SCRR, the Target Company is required to maintain minimum public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. Upon completion of the Offer, if public shareholding of the Target Company falls below the minimum level of public shareholding as required to be maintained by the Target Company as per the SCRR and the SEBI LODR Regulations, the Acquirer and the PACs undertake to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and/or the SEBI LODR Regulations, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% within 12 (Twelve) months from the date of such fall in the public shareholding to below 25%, through permitted routes and any other such routes as may be approved by SEBI from time to time.
- 3.2.15 The Offer Shares will be acquired by the Acquirer and/ or the PACs, fully paid-up, free from all liens, charges, equitable interests and encumbrances, and together with the rights attached thereto, including all rights to dividend, bonus and rights offer, if any, declared thereof, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Offer Shares on the foregoing basis.
- 3.2.16 The Manager shall not deal, on its own account, in the Equity Shares of the Target Company during the Offer Period.
- 3.3 Object of the Acquisition / Offer**
- 3.3.1 The Underlying Transaction has resulted in an indirect acquisition by the Acquirer of approximately 74% of the Voting Share Capital and control over the Target Company requiring the Acquirer to

make this Offer to the Public Shareholders in accordance with Regulation 3(1), Regulation 4 and Regulation 5(1), and other applicable regulations of the SEBI (SAST) Regulations.

- 3.3.2 The Underlying Transaction is expected to create or result in, *inter alia*, the following strategic and financial benefits: (i) efficiencies in manufacturing, supply chain and procurement and structural overhead; (ii) a meaningful opportunity to drive incremental revenue growth by leveraging a broader portfolio of technologies, service capabilities and geographic expertise; and (iii) the opportunity to enhance customer value and accelerate margin expansion through increased efficiencies by leveraging Gardner Denver's execution excellence practices and Ingersoll-Rand's business operating system.
- 3.3.3 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, as of the date of this Draft Letter of Offer, the Acquirer and the PACs have no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company or of entities controlled by the Target Company during the period of 2 (Two) years following the completion of the Offer, except:
- (a) as provided in the Merger Agreement; or
 - (b) in the ordinary course of business; or
 - (c) to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company; or
 - (d) on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company; or
 - (e) as has already been disclosed in the public domain.

However, as of the date of this Draft Letter of Offer, the Acquirer and the PACs cannot ascertain the repercussions, if any, on the employees and locations of the Target Company's places of business.

- 3.3.4 Other than the above, if the Target Company is required to alienate any material asset of the Target Company, within a period of 2 (Two) years from completion of the Offer, the Target Company shall seek the approval of its shareholders as per the proviso to Regulation 25(2) of the SEBI (SAST) Regulations.

4. BACKGROUND OF THE ACQUIRER AND THE PACS

4.1 Acquirer – Ingersoll Rand Inc.

- 4.1.1 The Acquirer, a publicly held corporation, was incorporated on March 1, 2013 under the laws of the State of Delaware, United States of America (company file number: 5295941). The Acquirer's previous name was Renaissance Parent Corp., which was changed to Gardner Denver Holdings, Inc. on February 23, 2017. The name of the Acquirer was further changed from Gardner Denver Holdings, Inc. to Ingersoll Rand Inc. on February 29, 2020.
- 4.1.2 The registered office of the Acquirer is situated at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware, 19801. The telephone number of the Acquirer is +1 704-655-4000 and the fax number of the Acquirer is +1 855-256-5774.
- 4.1.3 The Acquirer is a leading global provider of mission-critical flow control and compression equipment and associated aftermarket parts, consumables and services, which the Acquirer sells across multiple attractive end-markets within the industrial, energy and medical industrials.
- 4.1.4 The Acquirer is a publicly listed corporation and has dispersed shareholding with no specific controlling shareholders. By virtue of the consummation of the Underlying Transaction, the Acquirer, the PAC 1, the PAC 2 and the Target Company belong to the same group, i.e. the new Ingersoll Rand group, and the Acquirer is the parent company of the PAC 1, and the ultimate parent company of the PAC 2 and the Target Company. Pursuant to the Underlying Transaction, 50.1% of the outstanding common stock of the Acquirer was issued to shareholders of the PAC 1 as part of

the consideration for the merger, and the balance of its outstanding common stock continues to be held by the public shareholders of the Acquirer.

4.1.5 The authorized share capital of the Acquirer as of the date of the Draft Letter of Offer comprises 1,000,000,000 (One Billion) shares of common stock, par value USD 0.01 per share and 100,000,000 (One Hundred Million) shares of preferred stock, par value USD 0.01 per share. The total number of issued and outstanding shares of the Acquirer as of March 2, 2020 comprises 416,406,305 (Four Hundred Sixteen Million Four Hundred Six Thousand Three Hundred Five) shares of common stock, and no shares of preferred stock.

4.1.6 A predecessor to the Acquirer was initially listed on the NYSE and subsequently delisted in the year 2013. Thereafter, the Acquirer was re-listed on the NYSE in 2017, and as of the date of this Draft Letter of Offer, the shares of common stock of the Acquirer are listed on the NYSE. As such, ownership of the Acquirer changes frequently. Shareholding of the beneficial owners holding 5% or more of the stock of the Acquirer as of December 31, 2019, according to Schedule 13G filings with the SEC by the respective shareholders, is as follows:

S No.	Name of the Shareholder	No. of Shares of Common Stock	% Shareholding*
1.	KKR Renaissance Aggregator L.P. and associated funds ¹	70,671,135	34.5%
2.	T. Rowe Price Associates, Inc. ²	28,786,831	14.0%
3.	FMR LLC ³	14,384,489	7.03%
4.	Wellington Management Group LLP ⁴	14,141,669	6.91%

¹ Beneficial ownership information is based on information contained in the Schedule 13G filed on February 14, 2020 on behalf of KKR Renaissance Aggregator L.P. According to the Schedule 13G, included in the shares of the Acquirer's common stock listed above as beneficially owned by KKR Renaissance Aggregator L.P. are 70,671,135 shares directly owned by KKR Renaissance Aggregator L.P., KKR Renaissance Aggregator GP LLC, as the general partner of KKR Renaissance Aggregator L.P., KKR North America Fund XII L.P., as the sole member of KKR Renaissance Aggregator GP LLC, KKR Associates North America XI L.P., as the general partner of KKR North America Fund XI L.P., KKR North America XI Limited, as the general partner of KKR Associates North America XI L.P., KKR Group Partnership L.P., as the sole shareholder of KKR North America XI Limited, KKR Group Holdings Corp., as a general partner of KKR Group Partnership L.P., KKR & Co. Inc., as the sole shareholder of KKR Group Holdings Corp., KKR Management LLP, as the Class B common stockholder of KKR & Co. Inc., and Messrs. Henry R. Kravis and George R. Roberts, as the founding partners of KKR Management LLP, may be deemed to be the beneficial owners having shared voting and investment power with respect to the shares described in this footnote.

² Beneficial ownership information is based on information contained in the Schedule 13G filed on February 14, 2020 on behalf of T. Rowe Price Associates, Inc. ("**Price Associates**"). According to the Schedule 13G, included in the shares of Acquirer's common stock listed above as beneficially owned by T. Rowe Price are 9,988,246 shares over which Price Associates has sole voting power and 28,786,831 shares over which Price Associates has sole dispositive power. According to the Schedule 13G, Price Associates does not serve as custodian of the assets of any of its clients; accordingly, in each instance only the client or the client's custodian or trustee bank has the right to receive dividends paid with respect to, and proceeds from the sale of, such securities. The ultimate power to direct the receipt of dividends paid with respect to, and the proceeds from the sale of, such securities, is vested in the individual and institutional clients which Price Associates serves as investment adviser. Any and all discretionary authority which has been delegated to Price Associates may be revoked in whole or in part at any time. According to the Schedule 13G, not more than 5% of the class of such securities is owned by any one client subject to the investment advice of Price Associates.

³ Beneficial ownership information is based on information contained in the Schedule 13G filed on February 7, 2020 on behalf of FMR LLC ("**FMR**"). The entities that beneficially own shares of the security class being reported on the Schedule 13G filed by FMR are FIAM LLC, Fidelity Institutional Asset Management Trust Company, Fidelity Investments Money Management, Inc., Fidelity Management & Research Company, FMR Co., Inc. and Strategic Advisers LLC. According to Schedule 13G, included in the shares of the Acquirer's common stock listed above as beneficially owned by FMR are 854,887 shares over which FMR has sole voting power and 14,384,489 shares over which FMR has sole dispositive power.

⁴ Beneficial ownership information is based on information contained in the Schedule 13G filed on January 28, 2020 on behalf of Wellington Management Group LLP ("**Wellington**"). The entities that beneficially own shares of the security class reported on the Schedule 13G filed by Wellington are Wellington Group Holdings LLP, Wellington Investment Advisors LLP and Wellington Management Global Holdings, Ltd and one or more of the following investment advisors (the "**Wellington Investment Advisers**"): Wellington Management Company LLP, Wellington Management Canada LLC, Wellington Management Singapore Pte Ltd, Wellington Management Hong Kong Ltd, Wellington Management International Ltd, Wellington Management Japate Pte Ltd and Wellington Management Australia Pty Ltd. The securities as to which the Schedule 13G was filed by Wellington, as parent holding company of certain holding companies and the Wellington Investment Advisers, are owned of record by clients of the Wellington Investment Advisers. Wellington Investment Advisors Holdings LLP controls directly, or indirectly through Wellington Management Group Holdings, Ltd., the Wellington Investment Advisers. Wellington Investment Advisors Holdings LLP is owned by Wellington Management Group LLP. According to the Schedule 13G, included in the shares of the Acquirer's common stock listed above as

S No.	Name of the Shareholder	No. of Shares of Common Stock	% Shareholding*
5.	The Vanguard Group ⁵	11,749,523	5.74%

**Note: The shareholding percentage of the outstanding common stock of the Acquirer is as at December 31, 2019, based on the publicly reported shareholding of each shareholder, with 5% or more shares of the common stock of the Acquirer, as of such date.*

- 4.1.7 The Acquirer does not directly hold any Equity Shares of the Target Company. The Acquirer is the ultimate parent company of the Target Company, and pursuant to the completion of the Underlying Transaction, through the Acquirer's subsidiaries, indirectly holds 23,360,000 (Twenty Three Million Three Hundred Sixty Thousand) Equity Shares, representing approximately 74% of the Voting Share Capital. Other than the Underlying Transaction and the aforementioned indirect shareholding and controlling interest, the Acquirer does not have any relationship or interest in the Target Company. Further, there are no common directors on the board of directors of the Acquirer and the Board of Directors.
- 4.1.8 Other than pursuant to the Underlying Transaction, neither the Acquirer's directors nor its key employees have any relationship with or interest in the Target Company.
- 4.1.9 As on the date of this Draft Letter of Offer, the Acquirer has not been prohibited by SEBI from dealing in securities under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 4.1.10 The details of the directors on the board of directors of the Acquirer are set out below:

Sr. No.	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
1.	Mr. Vicente Reynal, Director	Not applicable	<p>Mr. Vicente Reynal serves as the Chief Executive Officer of the Acquirer and is President of the PACs. Mr. Reynal has served as the Chief Executive Officer of the Acquirer since January 2016 and serves as a member of its board of directors. In this role, he was responsible for leading the company and driving its overall growth and profitability as a global supplier of innovative and application-critical flow control products, services and solutions. He joined the Acquirer in May 2015 as the Chief Executive Officer of its 'Industrials Segment'.</p> <p>Before joining the Acquirer, Mr. Vicente Reynal spent 11 (Eleven) years at Danaher Corporation, a designer and manufacturer of professional, medical, industrial and commercial products and services, where he served as the group president of Dental Technologies from</p>	February 24, 2017

beneficially owned by Wellington are 12,228,504 shares over which Wellington has shared voting power, and 14,141,669 shares over which Wellington has shared dispositive power.

⁵ Beneficial ownership information is based on information contained in the Schedule 13G filed on February 12, 2020 on behalf of The Vanguard Group and its wholly-owned subsidiaries, Vanguard Fiduciary Trust Company and Vanguard Investments Australia, Ltd. According to the Schedule 13G, included in the shares of Acquirer's common stock listed above as beneficially owned by The Vanguard Group are 67,368 shares over which The Vanguard Group has sole voting power, 21,007 shares over which The Vanguard Group has shared voting power, 11,677,534 shares over which The Vanguard Group has sole dispositive power and 71,989 shares over which The Vanguard Group has shared dispositive power.

			<p>December 2013 to May 2015, leading the KaVo Kerr Group, which was part of the Danaher group at that time.</p> <p>He also held various other executive positions at Danaher Corporation, including president of the Ormco business from October 2011 to December 2013, president of the Pelton & Crane, KaVo business from 2007 to 2011 and vice- president of the global operations for the Danaher Motion Platform from 2004 to 2007. Prior to joining Danaher Corporation, he served in various operational and executive roles at Thermo Fisher Scientific and AlliedSignal Corp. (which merged with Honeywell, Inc. to become Honeywell International, Inc. in 1999).</p> <p>Mr. Vicente Reynal holds a Bachelor of Science-degree in mechanical engineering from Georgia Institute of Technology and Master of Science degrees in both mechanical engineering and technology & policy from Massachusetts Institute of Technology.</p>	
2.	Mr. Peter M. Stavros, Director	Not applicable	<p>Mr. Stavros joined Kohlberg Kravis and Roberts & Co. L.P. (“KKR”) in 2005 and is a member of KKR and head of its Industrials private equity team. He also became a member of KKR’s Americas Investment Committee in September, 2013 and KKR’s Healthcare Growth Investment Committee in 2016. Prior to taking over responsibility for the ‘Industrials Sector’ in 2010, Mr. Stavros was a member of KKR’s Healthcare investment team. During that time, he was actively involved with the investment in HCA and, since assuming responsibility for the Industrials sector, has been actively involved with the investments in Capsugel, Capital Safety, the Acquirer, The Crosby Group, CHI Overhead Doors, Hyperion Materials, Geostabilization International and Minnesota Rubber & Plastics. Prior to joining KKR, Mr. Stavros was with GTCR Golder Rauner from 2002 to 2005, where he was involved in the execution of numerous investments in the health care sector. Mr. Stavros was appointed as a director on the board of the Acquirer pursuant to the stockholders agreement between the</p>	March 7, 2013

			<p>Acquirer and KKR Renaissance Aggregator L.P.</p> <p>He holds a Bachelor of Science in Chemistry-degree, from Duke University and a Master of Business Administration from Harvard Business School.</p>	
3.	Mr. Joshua T. Weisenbeck, Director	Not applicable	<p>Mr. Weisenbeck joined KKR in 2008, and is a member of KKR and part of the Industrials private equity team at KKR. He has been actively involved with the investments in the Acquirer, Capsugel, Capital Safety, Hyperion Materials & Technologies, Minnesota Rubber and Plastics, and GeoStabilization International, as well as having portfolio company responsibility for BrightView.</p> <p>In addition, he serves on the board of directors of Hyperion Materials & Technologies, Minnesota Rubber and Plastics, GeoStabilization International, BrightView and Novaria Group, and was formerly a director of Capsugel and Capital Safety. Prior to joining KKR, Mr. Weisenbeck was with Onex Corporation from 2006 to 2008, focusing on Industrials private equity transactions, including Onex's investment in Allison Transmission. Prior to Onex, he worked for Lazard Freres & Co. in its Power & Energy group from 2004 to 2006, where he was involved in a number of merger and acquisition transactions. Mr. Weisenbeck was appointed as a director on the board of the Acquirer pursuant to the stockholders agreement between the Acquirer and KKR Renaissance Aggregator L.P.</p> <p>He holds a Bachelor of Arts -degree from Williams College.</p>	March 7, 2013
4.	Mr. John Humphrey, Director	Not applicable	<p>In 2017, Mr. Humphrey retired from Roper Technologies, a company that designs and develops software and engineered products and solutions for healthcare, transportation, food, energy, water, education and other niche markets worldwide. At Roper, he served from 2011 to 2017, as Executive Vice President and Chief Financial Officer, and from 2006 to 2011, as Vice President and Chief Financial Officer.</p> <p>Prior to joining Roper, Mr. Humphrey spent 12 (Twelve) years with</p>	February 7, 2018

			<p>Honeywell International, Inc. and its predecessor company, AlliedSignal, in a variety of financial leadership positions. Mr. Humphrey's earlier career included 6 (Six) years with Detroit Diesel Corporation, a manufacturer of heavy-duty engines, in a variety of engineering and manufacturing management positions. He is a member of the Board of Directors of EnPro Industries, Inc. and Owens-Illinois, Inc.</p> <p>Mr. Humphrey received a B.S. in Industrial Engineering from Purdue University and an M.B.A. from the University of Michigan.</p>	
5.	Mr. William P. Donnelly, Director	Not applicable	<p>Mr. Donnelly joined Mettler-Toledo International Inc. in 1997 and from 2014 until his retirement in December, 2018, was its Executive Vice President responsible for finance, investor relations, supply chain and information technology. From 1997 to 2002 and from 2004 to 2014, Mr. Donnelly served as Mettler-Toledo's Chief Financial Officer. From 2002 to 2004, he served as division head of Mettler-Toledo's product inspection and certain lab businesses.</p> <p>From 1993 to 1997, Mr. Donnelly served in various senior financial roles, including Chief Financial Officer, of Eltag Bailey Process Automation, NV and prior to that, he was an auditor with PricewaterhouseCoopers LLP from 1983 to 1993. Mr. Donnelly serves on the Executive Committee of John Carroll University's Board of Trustees.</p> <p>Mr. Donnelly received a Bachelor of Science in Business Administration from John Carroll University. Mr. Donnelly has many years of experience as the chief financial officer of a publicly held company.</p>	May 11, 2017
6.	Ms. Elizabeth Centoni, Director	Not applicable	<p>Ms. Centoni joined Cisco Systems, Inc., an internet technology company, in 2000, and since April 2018 has been Senior Vice President, General Manager of Cisco's IoT Business Group. Prior to that, Ms. Centoni spent 2 (Two) years as the Senior Vice President, General Manager of Cisco's Computing Systems Product Group. From 2000 to 2016, Ms. Centoni served in numerous engineering senior leadership roles at Cisco, including</p>	December 18, 2018

			<p>Vice President, Engineering Strategy and Portfolio Planning and Vice President, General Manager of the Service Provider Access Group.</p> <p>Ms. Centoni holds a Bachelor of Science in Chemistry-degree from the University of Mumbai and an M.B.A. in Marketing from the University of San Francisco.</p>	
7.	Mr. Marc E. Jones, Director	Not applicable	<p>Mr. Jones has served as Chief Executive Officer and Chairman of Aeris Communications, Inc., a provider of machine to machine and Internet of Things communications services, since 2008.</p> <p>Before joining Aeris Communications, he served as President and Chief Executive Officer of Visionael Corporation, a network service business software and service provider, from 1998 to 2005, President and Chief Operating Officer of Madge Networks, a supplier of networking hardware, from 1994 to 1998, Senior Vice President, Integrated System Products of Chips and Technologies, Inc., one of the first fabless semiconductor companies, from 1987 to 1993, and Senior Vice President, Corporate Finance of LF Rothschild, Unterberg, Towbin, a merchant and investment banking firm, from 1985 to 1987.</p> <p>Mr. Jones began his career at the law firm Pillsbury, Madison & Sutro. Mr. Jones holds both a Bachelor of Arts in Political Science-degree and a Juris Doctor from Stanford University.</p>	December 18, 2018
8.	Mr. Gary D. Forsee, Director	Not applicable	<p>Mr. Forsee served as President of the four-campus University of Missouri System from 2008 to 2011. He previously served as Chairman of the board (from 2006 to 2007) and Chief Executive Officer (from 2005 to 2007) of Sprint Nextel Corporation, and chairman of the board and chief executive officer of Sprint Corporation, a global telecommunications company located in Kansas City, Missouri, from 2003 to 2005.</p> <p>Mr. Forsee currently serves on the boards of directors of Trane and Evergy, Inc., an investor-owned utility providing energy to customers in Kansas and Missouri, and formerly served on the boards of directors of</p>	February 29, 2020

			<p>Great Plains Energy and KCP&L, which merged with Westar Energy to form Eversource Energy, Inc., and DST Systems, Inc., an IT service management company.</p> <p>Mr. Forsee received his Bachelor of Science-degree in engineering and an honorary engineering and doctorate from the Missouri University of Science and Technology (formerly known as University of Missouri-Rolla).</p>	
9.	Mr. Tony L. White, Director	Not applicable	<p>Mr. White served as Chairman of the Board, President and Chief Executive Officer of Applied Biosystems, Inc. (formerly Applera Corporation), a developer, manufacturer and marketer of life science systems and genomic information products, from September 1995 until his retirement in November 2007. Mr. White currently serves on the boards of directors of Trane and CVS Health Corp, a provider of health care services and formerly served on the board of directors of C.R. Bard, Inc., a company that designs, manufactures and sells medical, diagnostic and patient care devices.</p> <p>Mr. White received a bachelor of art-degree from Western Carolina University.</p>	February 29, 2020
10.	Ms. Kirk E. Arnold, Director	Not applicable	<p>Ms. Arnold is currently an Executive-in-Residence at General Catalyst Ventures, where she works with management teams to help scale and drive growth by providing mentorship operational and strategic support. She was previously chief executive officer of Data Intensity, a cloud-based data, applications and analytics managed service provider from 2013 to 2017.</p> <p>Prior to that, Ms. Arnold was chief operating officer of Avid, a technology provider in the media industry, and chief executive officer and president of Keane, Inc., then a publicly traded global services provider. She has also held senior leadership roles at Computer Sciences Corp., Fidelity Investments and IBM. In addition, she was founder and chief executive officer of NerveWire, a management consulting and systems integration provider.</p> <p>Ms. Arnold currently serves on the</p>	February 29, 2020

			boards of directors of Trane and Thomson Reuters, a multinational media conglomerate, and formerly served on the board of directors of EnerNoc, Inc. Ms. Arnold received a bachelor's degree from Dartmouth College.	
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- 4.1.11 The Acquirer's selected financial information based on its audited consolidated financial statements as of and for the financial years ended December 31, 2017, December 31, 2018 and December 31, 2019 (such financial statements, the "**Consolidated Financial Statements**") is set out below. Such Consolidated Financial Statements were audited by Deloitte & Touche LLP, the Acquirer's independent registered accounting firm, and were filed with the Acquirer's Annual Report on Form 10-K, with the SEC.

Profit & Loss Statement - Selected Financial Information

Particulars	As at and for financial year ended December 31, 2017		As at and for financial year ended December 31, 2018		As at and for financial year ended December 31, 2019	
	(In USD)	(In INR)	(In USD)	(In INR)	(In USD)	(In INR)
Income from operations ⁽¹⁾	2,375.4	164,747.8	2,689.8	186,553.2	2,451.9	170,053.5
Other Income	3.4	235.8	7.2	499.4	4.7	326.0
Total Income	2,378.8	164,983.6	2,697.0	187,052.6	2,456.6	170,379.5
Total Expenditure ⁽²⁾	2,090.9	145,016.1	2,066.4	143,316.8	1,998.5	138,607.6
Profit Before Depreciation and Amortization, Interest and Tax	287.9	19,967.5	630.6	43,735.8	458.1	31,771.9
Depreciation and Amortization ⁽³⁾	175.4	12,165.0	180.4	12,511.8	178.1	12,352.3
Interest ⁽⁴⁾	225.2	15,618.9	100.7	6,984.1	89.1	6,179.6
Profit/(Loss) Before Tax	(112.7)	(7,816.4)	349.5	24,239.9	190.9	13,240.0
Provision for Tax	(131.2)	(9,099.5)	80.1	5,555.4	31.8	2,205.5
Profit/(Loss) After Tax	18.5	1,283.1	269.4	18,684.5	159.1	11,034.5

Balance Sheet Statement - Selected Financial Information

Particulars	As at and for financial year ended December 31, 2017		As at and for financial year ended December 31, 2018		As at and for financial year ended December 31, 2019	
	(In USD)	(In INR)	(In USD)	(In INR)	(In USD)	(In INR)
<i>Sources of funds</i>						
Paid up share capital ⁽⁵⁾	2,277.4	157,950.9	2,284.7	158,457.2	2,304.1	159,802.7
Reserves and Surplus (excluding revaluation reserves) ⁽⁶⁾	(800.6)	(55,526.3)	(608.7)	(42,216.9)	(434.2)	(30,114.3)
Net worth	1,476.8	102,424.6	1,676.0	116,240.3	1,869.9	129,688.4

Particulars	As at and for financial year ended December 31, 2017		As at and for financial year ended December 31, 2018		As at and for financial year ended December 31, 2019	
	(In USD)	(In INR)	(In USD)	(In INR)	(In USD)	(In INR)
	Secured loans ⁽⁷⁾	2,019.3	140,050.2	1,664.2	115,421.9	1,603.8
Unsecured loans						
Other Liabilities ⁽⁸⁾	563.3	39,068.1	550.5	38,180.4	580.1	40,233.3
Current liabilities	561.8	38,964.1	596.4	41,363.8	574.6	39,851.8
Total	4,621.2	320,507.0	4,487.1	311,206.4	4,628.4	321,006.4
Uses of funds						
Net fixed assets ⁽⁹⁾	363.2	25,190.0	356.6	24,732.3	326.6	22,651.6
Intangible assets ⁽¹⁰⁾	2,658.8	184,403.2	2,657.9	184,340.8	2,542.7	176,351.0
Investments						
Other assets ⁽¹¹⁾	135.6	9,404.6	141.4	9,806.9	215.2	14,925.4
Net current assets	1,463.6	101,509.1	1,331.2	92,326.4	1,543.9	107,078.4
Total miscellaneous expenditure not written off						
Total	4,621.2	320,507.0	4,487.1	311,206.4	4,628.4	321,006.4

Other financial data

Particulars	As at and for financial year ended December 31, 2017		As at and for financial year ended December 31, 2018		As at and for financial year ended December 31, 2019	
	(In USD)	(In INR)	(In USD)	(In INR)	(In USD)	(In INR)
	Dividend (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Earnings/(Loss) per share						
- Basic	0.10	6.94	1.34	92.94	0.78	54.10
- Diluted	0.10	6.94	1.29	89.47	0.76	52.71
Return on Net worth (%) ⁽¹²⁾	7.6%	7.6%	26.9%	26.9%	15.0%	15.0%
Book value per share ⁽¹³⁾	7.44	516.25	8.33	578.02	9.04	626.98

⁽¹⁾ Income from Operations refers to Revenues (as set forth in the Consolidated Financial Statements).

⁽²⁾ Total Expenditures refers to the sum of Cost of Sales, Selling and administrative expenses, other operating expenses, net and losses on the extinguishment of debt less the sum of depreciation and interest expense (as set forth in the Consolidated Financial Statements).

⁽³⁾ Depreciation and Amortization refers to sum of Depreciation in cost of sales and depreciation in selling and administrative expenses, amortization of intangible assets and impairment of other intangible assets (as set forth in the Consolidated Financial Statements).

⁽⁴⁾ Interest refers to sum of Interest expense and Loss on extinguishment of debt (as set forth in the Consolidated Financial Statements).

⁽⁵⁾ Paid up share capital refers to sum of Common stock and Capital in excess of par value (as set forth in the Consolidated Financial Statements).

⁽⁶⁾ Reserves and Surplus refers to sum of Accumulated deficit, Accumulated other comprehensive loss and Treasury stock at cost (as set forth in the Consolidated Financial Statements).

⁽⁷⁾ Secured Loans refers to Long-term debt, less current maturities (as set forth in the Consolidated Financial Statements).

⁽⁸⁾ Other liabilities refers to sum of Pensions and other postretirement benefits, Deferred income taxes and Other liabilities (as set forth in the Consolidated Financial Statements).

⁽⁹⁾ Net fixed assets refers to Property, plant and equipment, net of accumulated depreciation (as set forth in the Consolidated Financial Statements).

⁽¹⁰⁾ Intangible assets refers to sum of Goodwill and Other intangible assets, net (as set forth in the Consolidated Financial Statements).

⁽¹¹⁾ Other assets refers to sum of Deferred tax assets and Other assets (as set forth in the Consolidated Financial Statements).

⁽¹²⁾ Return on Net worth refers to Profit Before Interest and Tax divided by Net worth, expressed as a percentage.

⁽¹³⁾ Book value per share refers to Net worth divided by total number of shares.

Notes:

- (i) *Since the financial statements of the Acquirer are prepared in USD, the functional currency of the Acquirer, they have been converted into INR for purpose of convenience of translation. INR to USD conversion has been assumed at a rate of 1 USD = INR 69.3558 as on May 6, 2019, the date preceding the PA date (Source: <https://fbil.org.in>).*
- (ii) *The Acquirer's selected financial information and other financial data presented above does not contain all of the disclosures required under applicable United States securities laws, including the requirements of Form 10-K (annual report under the United States Securities Exchange Act of 1934, as amended). Reading the above financial information, therefore is not a substitute for reading the Form 10-K of the Acquirer and its other disclosures filed with the SEC, which may be found on the SEC's website (www.sec.gov).*

4.1.12 According to the latest audited consolidated financial statements of the Acquirer as of and for the financial year ended December 31, 2019, the details of major contingent liabilities of the Acquirer are as below:

The Acquirer is a party to various legal proceedings, lawsuits and administrative actions, which are of an ordinary or routine nature for a company of its size and sector. The Acquirer believes that such proceedings, lawsuits and administrative actions will not materially adversely affect its operations, financial condition, liquidity or competitive position. A more detailed discussion of certain of these proceedings, lawsuits and administrative actions is set forth below.

Asbestos and Silica related Litigation

The Acquirer has been named as a defendant in a number of asbestos-related and silica-related personal injury lawsuits. The plaintiffs in these suits allege exposure to asbestos or silica from multiple sources and typically the Acquirer is one of approximately 25 or more named defendants.

Predecessors to the Acquirer sometimes manufactured, distributed and/or sold products allegedly at issue in the pending asbestos and silica-related lawsuits (the "**Products**"). However, neither the Acquirer nor its predecessors ever mined, manufactured, mixed, produced or distributed asbestos fiber or silica sand, the materials that allegedly caused the injury underlying the lawsuits. Moreover, the asbestos-containing components of the Products, if any, were enclosed within the subject Products.

Although the Acquirer has never mined, manufactured, mixed, produced or distributed asbestos fiber or silica sand nor sold products that could result in a direct asbestos or silica exposure, many of the companies that did engage in such activities or produced such products are no longer in operation. This has led to law firms seeking potential alternative companies to name in lawsuits where there has been an asbestos or silica related injury.

The Acquirer believes that the pending and future asbestos and silica-related lawsuits are not likely to, in the aggregate, have a material adverse effect on its consolidated financial position, results of operations or liquidity, based on: the Acquirer's anticipated insurance and indemnification rights to address the risks of such matters; the limited potential asbestos exposure from the Products described above; the Acquirer's experience that the vast majority of plaintiffs are not impaired with a disease attributable to alleged exposure to asbestos or silica from or relating to the Products or for which the Acquirer otherwise bears responsibility; various potential defenses available to the Acquirer with respect to such matters; and the Acquirer's prior disposition of comparable matters. However, inherent uncertainties of litigation and future developments, including, without limitation, potential insolvencies of insurance companies or other defendants, an adverse determination in the Adams County Case (*as defined and discussed below*), or other inability to collect from the Acquirer's historical insurers or indemnitors, could cause a different outcome. While the outcome of legal proceedings is inherently uncertain, based on presently known facts, experience, and circumstances, the Acquirer believes that the amounts accrued on its balance sheet are adequate and that the liabilities arising from the asbestos and silica-related personal injury lawsuits will not have a material adverse effect on the Acquirer's consolidated financial position, results of operations or liquidity. "Accrued liabilities" and "Other liabilities" in the Acquirer's consolidated balance sheets include a total litigation reserve of \$118.1 million and \$105.8 million as of December 31, 2019 and December 31, 2018 respectively, with regards to potential liability arising from the Acquirer's asbestos-related

litigation. Asbestos related defense costs are excluded from the asbestos claims liability and are recorded separately as services are incurred. In the event of unexpected future developments, it is possible that the ultimate resolution of these matters may be material to the Acquirer's consolidated financial position, results of operation or liquidity.

The Acquirer has entered into a series of agreements with certain of its or its predecessors' legacy insurers and certain potential indemnitors to secure insurance coverage and/or reimbursement for the costs associated with the asbestos and silica-related lawsuits filed against the Acquirer. The Acquirer has also pursued litigation against certain insurers or indemnitors, where necessary. The Acquirer has an insurance recovery receivable for probable asbestos related recoveries of approximately \$122.4 million and \$103.0 million as of December 31, 2019 and December 31, 2018, respectively, which was included in "Other assets" in the Acquirer's consolidated balance sheets. During the year ended December 31, 2018, the Acquirer received asbestos related insurance recoveries of \$14.4 million, of which \$6.2 million related to the recovery of indemnity payments, and was recorded as a reduction of the insurance recovery receivable in "Other assets" in the Consolidated Balance Sheets, and \$8.2 million related to the reimbursement of previously expensed legal defense costs, and was recorded as a reduction of "Selling and administrative expenses" in the Consolidated Statements of Operations.

The largest such recent action, *Gardner Denver, Inc. v. Certain Underwriters at Lloyd's, London, et al.*, was filed on July 9, 2010, in the Eighth Judicial Circuit, Adams County, Illinois, as case number 10-L-48 (the "**Adams County Case**"). In the lawsuit, the Acquirer seeks, among other things, to require certain excess insurer defendants to honor their insurance policy obligations to the Acquirer, including payment in whole or in part of the costs associated with the asbestos-related lawsuits filed against Acquirer. In October 2011, the Acquirer reached a settlement with one of the insurer defendants, which had issued both primary and excess policies, for approximately the amount of such defendant's policies that were subject to the lawsuit. Since then, the case has been proceeding through the discovery and motions process with the remaining insurer defendants. On January 29, 2016, the Acquirer prevailed on the first phase of that discovery and motions process ("**Phase I**"). Specifically, the Court in the Adams County Case ruled that the Acquirer has rights under all of the policies in the case, subject to their terms and conditions, even though the policies were sold to the Acquirer's former owners rather than to the Acquirer itself. On June 9, 2016, the Court denied a motion by several of the insurers who sought permission to appeal the Phase I ruling immediately rather than waiting until the end of the whole case as is normally required. The case is now proceeding through the discovery process regarding the remaining issues in dispute ("**Phase II**").

A majority of the Acquirer's expected future recoveries of the costs associated with the asbestos-related lawsuits are the subject of the Adams County Case.

The amounts recorded by the Acquirer for asbestos-related liabilities and insurance recoveries are based on currently available information and assumptions that the Acquirer believes are reasonable based on an evaluation of relevant factors. The actual liabilities or insurance recoveries could be higher or lower than those recorded if actual results vary significantly from the assumptions. There are a number of key variables and assumptions including the number and type of new claims to be filed each year, the resolution or outcome of these claims, the average cost of resolution of each new claim, the amount of insurance available, allocation methodologies, the contractual terms with each insurer with whom the Acquirer has reached settlements, the resolution of coverage issues with other excess insurance carriers with whom the Acquirer has not yet achieved settlements, and the solvency risk with respect to the Acquirer's insurance carriers. Other factors that may affect the future liability include uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, legal rulings that may be made by state and federal courts, and the passage of state or federal legislation. The Acquirer makes the necessary adjustments for the asbestos liability and corresponding insurance recoveries on an annual basis unless facts or circumstances warrant assessment as of an interim date.

Environmental Matters

The Acquirer has been identified as a potentially responsible party ("**PRP**") with respect to several sites designated for cleanup under U.S. federal "Superfund" or similar state laws that impose liability for cleanup of certain waste sites and for related natural resource damages. Persons potentially liable for such costs and damages generally include the site owner or operator and persons that disposed

or arranged for the disposal of hazardous substances found at those sites. Although these laws impose joint and several liability on PRPs, in application the PRPs typically allocate the investigation and cleanup costs based upon the volume of waste contributed by each PRP. Based on currently available information, the Acquirer was only a small contributor to these waste sites, and the Acquirer has, or is attempting to negotiate, de minimis settlements for their cleanup. The cleanup of the remaining sites is substantially complete and the Acquirer's future obligations entail a share of the sites' ongoing operating and maintenance expense. The Acquirer is also addressing four on-site cleanups for which it is the primary responsible party. Three of these cleanup sites are in the operation and maintenance stage and one is in the implementation stage.

The Acquirer has undiscounted accrued liabilities of \$6.6 million and \$6.9 million as of December 31, 2019 and December 31, 2018, respectively, on its consolidated balance sheets to the extent costs are known or can be reasonably estimated for its remaining financial obligations for the environmental matters discussed above and does not anticipate that any of these matters will result in material additional costs beyond amounts accrued. Based upon consideration of currently available information, the Acquirer does not anticipate any material adverse effect on its results of operations, financial condition, liquidity or competitive position as a result of compliance with federal, state, local or foreign environmental laws or regulations, or cleanup costs relating to these matters.

Note: The foregoing description of the Acquirer's contingent liabilities only reflects contingent liabilities of the Acquirer and its subsidiaries as of December 31, 2019, and the Underlying Transaction was not given effect to on such date.

4.1.13 The market price per share of the common stock of the Acquirer on the NYSE is as follows:

Month	Market price per share of the common stock of the Acquirer	
	Highest Closing Price (USD)	Lowest Closing Price (USD)
May 2019	35.89	33.32
June 2019	34.89	33.09
July 2019	34.83	32.29
August 2019	31.21	27.73
September 2019	31.85	26.77
October 2019	33.02	27.01
November 2019	34.12	32.64
December 2019	36.95	33.27
January 2020	36.88	34.50
February 2020	38.65	32.79

Source: NYSE

4.1.14 The Acquirer is in compliance with the corporate governance rules and regulations to which it is subject under the Delaware General Corporation Law and other applicable laws. The Chief Compliance Officer and Secretary of the Acquirer is Andrew Schiesl, telephone: +1 (414)-212-4702, email: andy.schiesl@gardnerdenver.com.

4.2 PAC 1: Ingersoll-Rand U.S. HoldCo, Inc.

4.2.1 The PAC 1, a private corporation, was incorporated on April 26, 2019 under the laws of the State of Delaware, United States of America (company file number: 7393744).

4.2.2 The registered office of the PAC 1 is situated at 251 Little Falls Drive, Wilmington, DE 19808, County of New Castle, Delaware, United States of America. The telephone number of the PAC 1 is +1 704-655-4000 and fax number of the PAC 1 is +1 855-256-5774.

4.2.3 The PAC 1 is a newly incorporated company, established in connection with the Underlying Transaction and was not engaged in any business activity prior to the restructuring undertaken by the Trane group, before consummation of the Underlying Transaction on February 29, 2020. As on the date of the Draft Letter of Offer, the PAC 1 is a 'holding company' and holds the entire industrial business segment of Trane, through various subsidiaries.

4.2.4 The equity shares of the PAC 1 are not listed on any stock exchange.

- 4.2.5 The authorized share capital of the PAC 1 as of the date of the DPS comprised 1,175,000,000 (One Billion One Hundred Seventy Five Million) shares of common stock, par value USD 0.01 per share. The total number of issued and outstanding shares of the PAC 1 as of the date of the Draft Letter of Offer comprised 10 (Ten) shares of common stock.
- 4.2.6 Pursuant to the consummation of the Underlying Transaction, the PAC 1 became a wholly owned subsidiary of the Acquirer. The Acquirer is also the ultimate parent company of the PAC 2 and the Target Company. Thus, the Acquirer, the PAC 1, the PAC 2 and the Target Company belong to the same group, i.e. the new Ingersoll Rand group. The PAC 1 has no identifiable promoter or person in control, other than the Acquirer, which is the ultimate parent of the PAC 1.
- 4.2.7 The shareholding pattern of the PAC 1 as on the date of the Draft Letter of Offer is as follows:

Sr. No.	Shareholder	Number of shares of Common Stock	Percentage of shares held (%)
1.	Ingersoll Rand Inc.	10	100.00
	Total Paid Up Capital	10	100.00

- 4.2.8 The PAC 1 does not directly hold any Equity Shares of the Target Company. The PAC 1 is the indirect parent company of the Target Company, and through the PAC 1's subsidiaries, indirectly, holds 23,360,000 (Twenty Three Million Three Hundred Sixty Thousand) Equity Shares, representing approximately 74% of the Voting Share Capital. Other than the Underlying Transaction and the aforementioned indirect shareholding and controlling interest, the PAC 1 does not have any relationship or interest in the Target Company. Further, there are no common directors on the board of directors of the PAC 1 and the Board of Directors.
- 4.2.9 Other than pursuant to the Underlying Transaction, neither the PAC 1's directors nor its key employees have any relationship with or interest in the Target Company.
- 4.2.10 As on the date of this Draft Letter of Offer, the PAC 1 has not been prohibited by SEBI from dealing in securities under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 4.2.11 The details of the directors on the board of directors of the PAC 1 are set out below:

Sr. No	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
1.	Vicente Reynal, Director	Not applicable	Mr. Vicente Reynal serves as the Chief Executive Officer of the Acquirer and is President of the PACs. Mr. Reynal has served as the Chief Executive Officer of the Acquirer since January 2016 and serves as a member of its board of directors. In this role, he was responsible for leading the company and driving its overall growth and profitability as a global supplier of innovative and application-critical flow control products, services and solutions. He joined the Acquirer in May 2015 as the Chief Executive Officer of its 'Industrials Segment'. Before joining the Acquirer, Mr. Vicente Reynal spent 11 (Eleven) years at Danaher Corporation, a designer and manufacturer of professional, medical, industrial and commercial products and services, where he served as the group	February 29, 2020

Sr. No	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
			<p>president of Dental Technologies from December 2013 to May 2015, leading the KaVo Kerr Group, which was part of the Danaher group at that time.</p> <p>He also held various other executive positions at Danaher Corporation, including president of the Ormco business from October 2011 to December 2013, president of the Pelton & Crane, KaVo business from 2007 to 2011 and vice- president of the global operations for the Danaher Motion Platform from 2004 to 2007. Prior to joining Danaher Corporation, he served in various operational and executive roles at Thermo Fisher Scientific and AlliedSignal Corp. (which merged with Honeywell, Inc. to become Honeywell International, Inc. in 1999).</p> <p>Mr. Vicente Reynal holds a Bachelor of Science-degree in mechanical engineering from Georgia Institute of Technology and Master of Science degrees in both mechanical engineering and technology & policy from Massachusetts Institute of Technology.</p>	
2.	Andrew Schiesl, Director	07086903	<p>Andrew Schiesl serves as the senior Vice President, General Counsel, Chief Compliance Officer and Secretary of the Acquirer, and as Vice President and Secretary of each of the PACs. He leads legal, compliance, communications, governance, risk management and corporate social responsibility, which includes the Acquirer's environmental, health and safety (EHS) and sustainability efforts. Prior to this role, Mr. Schiesl served as Vice President, General Counsel, Chief Compliance Officer and Secretary at the Acquirer since 2013 and was also responsible for leading human resources at the Acquirer, in addition to the Acquirer's legal, compliance, governance and risk management functions.</p> <p>Prior to joining the Acquirer group, Mr. Schiesl served as Vice President and General Counsel of Quad/Graphics, Inc., a commercial printing business, from 2003. He was</p>	February 29, 2020

Sr. No	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
			<p>also Senior Counsel at Harley-Davidson, Inc., after beginning his career practicing law with Foley & Lardner LLP in Milwaukee.</p> <p>Mr. Schiesl received a bachelor's degree in political science and history from the University of Wisconsin-Milwaukee and graduated from the University of Pennsylvania School of Law. He holds a Master of Business Administration from the Kellogg School of Management at Northwestern University.</p>	
3.	Emily Weaver, Director	Not applicable	<p>Emily Weaver serves as the Senior Vice President and Chief Financial Officer of the Acquirer, leading Finance and information technology and Vice President of each of the PACs. Ms. Weaver has served as Chief Financial Officer of the Acquirer since December 1, 2019.</p> <p>Prior to joining the Acquirer, Ms. Weaver acted as Chief Accounting Officer of Fortive Corporation where she was responsible for Fortive's FP&A, accounting and reporting functions, and finance talent development. Ms. Weaver also served as Vice President of Finance at Danaher Corporation where she led Danaher's Spin-off of Fortive Corporation in 2016. Ms. Weaver has had other roles of increasing responsibility, including 5 (Five) years at General Electric Company, 3 (Three) years as Inspections Leader at Public Company Accounting Oversight Board (PCAOB) and 13 (Thirteen) years at PriceWaterhouseCoopers. Ms. Weaver graduated from the University of California, Santa Barbara, earning a Bachelor of Arts in business economics.</p>	February 29, 2020

4.2.12 The PAC 1 was incorporated on April 26, 2019 and this is its first year of operations. The PAC 1 is not required to prepare audited financial statements under the General Corporation Law of the State of Delaware. Accordingly, no financial statements of the PAC 1 are available.

4.3 PAC 2: Ingersoll-Rand Industrial U.S., Inc.

4.3.1 The PAC 2, a private corporation, was incorporated on June 18, 2019 under the laws of the State of Delaware, United States of America (company file number: 7467198).

4.3.2 The registered office of the PAC 2 is situated at 251 Little Falls Drive, Wilmington, DE 19808, County of New Castle, Delaware United States of America. The telephone number of the PAC 2 is +1 704-655-4000 and the fax number of the PAC 2 is +1 855-256-5774.

- 4.3.3 The PAC 2 is a newly incorporated company, established in connection with the Underlying Transaction and was not engaged in any business activity prior to the restructuring undertaken by the Trane group, prior to consummation of the Underlying Transaction on February 29, 2020. As on the date of the Draft Letter of Offer, the PAC 2, *inter alia* holds (directly or indirectly) certain parts of the former industrial business segment of Trane.
- 4.3.4 The equity shares of the PAC 2 are not listed on any stock exchange.
- 4.3.5 The authorized share capital of the PAC 2 as of the date of this Draft Letter of Offer comprised 5,000 (Five Thousand) shares of common stock, par value USD 0.01 per share. The total number of issued and outstanding shares of the PAC 2 as of the date of the DPS comprised 1,002 (One Thousand Two) shares of common stock.
- 4.3.6 The PAC 2 was incorporated as part of the restructuring undertaken by the Trane group prior to the Underlying Transaction. Immediately prior to the closure of the Underlying Transaction, on February 29, 2020, Trane contributed the parent company of the PAC 2 to the PAC 1, and the PAC 2 became an indirect (wholly owned) subsidiary of the PAC 1. As a result of the merger of Charm, an erstwhile subsidiary of the Acquirer, with the PAC 1 at the completion of the Underlying Transaction on February 29, 2020, such that the PAC 1 continued as the surviving entity, the PAC 1 and the PAC 2 became wholly owned subsidiaries of the Acquirer.
- 4.3.7 The Acquirer, the PAC 1, the PAC 2 and the Target Company belong to the same group, i.e. the new Ingersoll Rand group. The PAC 2 has no identifiable promoter or person in control other than: (i) Ingersoll-Rand Services Company, which is the direct parent of the PAC 2; (ii) the PAC 1, which is the indirect parent of the PAC 2; and (iii) the Acquirer, which is the ultimate parent of the PAC 2.
- 4.3.8 The shareholding pattern of the PAC 2 as on the date of the Draft Letter of Offer is as follows

Sr. No.	Shareholder	Number of shares of Common Stock	Percentage of shares held (%)
1.	Ingersoll-Rand Services Company	1,002	100.00
	Total Paid Up Capital	1,002	100.00

- 4.3.9 As of the date of this Draft Letter of Offer, the PAC 2 is the registered owner of 23,360,000 (Twenty Three Million Three Hundred Sixty Thousand) Equity Shares of the Target Company representing approximately 74% of the Voting Share Capital of the Target Company. Other than the Underlying Transaction and the aforementioned shareholding and controlling interest, the PAC 2 does not have any relationship or interest in the Target Company. Further, there are no common directors on the board of directors of the PAC 2 and the Board of Directors.
- 4.3.10 Neither the directors of the PAC 2 nor its key employees have any relationship with or interest in the Target Company.
- 4.3.11 Details of the board of directors of the PAC 2 are as below:

Sr. No	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
1.	Mr. Vicente Reynal, Director	Not applicable	Mr. Vicente Reynal serves as the Chief Executive Officer of the Acquirer and is President of the PACs. Mr. Reynal has served as the Chief Executive Officer of the Acquirer since January 2016 and serves as a member of its board of directors. In this role, he was responsible for leading the company and driving its overall growth and profitability as a global supplier of innovative and application-critical flow control products, services and solutions. He joined the Acquirer in May 2015 as the Chief Executive Officer of its 'Industrials	February 29, 2020

Sr. No	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
			<p>Segment'.</p> <p>Before joining the Acquirer, Mr. Vicente Reynal spent 11 (Eleven) years at Danaher Corporation, a designer and manufacturer of professional, medical, industrial and commercial products and services, where he served as the group president of Dental Technologies from December 2013 to May 2015, leading the KaVo Kerr Group, which was part of the Danaher group at that time.</p> <p>He also held various other executive positions at Danaher Corporation, including president of the Ormco business from October 2011 to December 2013, president of the Pelton & Crane, KaVo business from 2007 to 2011 and vice- president of the global operations for the Danaher Motion Platform from 2004 to 2007. Prior to joining Danaher Corporation, he served in various operational and executive roles at Thermo Fisher Scientific and AlliedSignal Corp. (which merged with Honeywell, Inc. to become Honeywell International, Inc. in 1999).</p> <p>Mr. Vicente Reynal holds a Bachelor of Science-degree in mechanical engineering from Georgia Institute of Technology and Master of Science degrees in both mechanical engineering and technology & policy from Massachusetts Institute of Technology.</p>	
2.	Mr. Andrew Schiesl, Director	07086903	<p>Mr. Andrew Schiesl serves as the senior Vice President, General Counsel, Chief Compliance Officer and Secretary of the Acquirer and as Vice President and Secretary of each of the PACs. He leads legal, compliance, communications, governance, risk management and corporate social responsibility, which includes the Acquirer's Environmental, Health and Safety (EHS) and sustainability efforts. Prior to this role, Mr. Andrew Schiesl served as Vice President, General Counsel, Chief Compliance Officer and Secretary at the Acquirer since 2013 and was also responsible for leading human resources at the Acquirer in addition to the Acquirer's legal, compliance, governance and risk management functions.</p> <p>Previously, Mr. Andrew Schiesl served as Vice President and General Counsel of Quad/Graphics, Inc., a commercial printing business, from 2003 until he joined the Acquirer. He was also Senior Counsel at Harley-Davidson, Inc., after beginning his</p>	February 29, 2020

Sr. No	Name of Director and Designation	D.I.N (if any)	Experience & Qualifications	Date of Appointment
			<p>career practicing law with Foley & Lardner LLP in Milwaukee.</p> <p>Mr. Andrew Schiesl received a bachelor's degree in political science and history from the University of Wisconsin-Milwaukee and graduated from the University of Pennsylvania School of Law. He holds a Master of Business Administration from the Kellogg School of Management at Northwestern University.</p>	
3.	Ms. Emily Weaver, Director	Not applicable	<p>Ms. Emily Weaver serves as the Senior Vice President and Chief Financial Officer of the Acquirer, leading Finance and IT and Vice President of each of the PACs. Ms. Emily Weaver has served as Chief Financial Officer of the Acquirer since December 1, 2019.</p> <p>Prior to joining the Acquirer, Ms. Weaver acted as Chief Accounting Officer of Fortive Corporation where she was responsible for Fortive's FP&A, accounting and reporting functions, and finance talent development. Ms. Emily Weaver also served as Vice President of Finance at Danaher Corporation where she led Danaher's Spin-off of Fortive Corporation in 2016. Ms. Emily Weaver has had other roles of increasing responsibility including 5 (Five) years at General Electric Company, 3 (Three) years as Inspections Leader at Public Company Accounting Oversight Board (PCAOB) and 13 (Thirteen) years at PriceWaterhouseCoopers.</p> <p>Ms. Emily Weaver graduated from the University of California, Santa Barbara, earning a Bachelor of Arts in business economics.</p>	February 29, 2020

- 4.3.12 The PAC 2 has appointed Mr. Amar Kaul, Mr. Naveen Samant and Ms. Preeti Gupta Mohanty as its nominee directors on the Board of Directors. The PAC 2 reserves the right to appoint further of its nominee(s) on the Board of Directors during the Offer Period in accordance with the SEBI (SAST) Regulations by depositing 100% of the Maximum Open Offer Consideration payable under the Offer in the Open Offer Escrow Account as required under Regulation 24(1) of the SEBI (SAST) Regulations. As of the date of this Letter of Offer, the Acquirer and the PACs have not made any decision with regard to the appointment of additional directors on the Board
- 4.3.13 As on the date of this Draft Letter of Offer, the PAC 2 has not been prohibited by SEBI from dealing in securities under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 4.3.14 The PAC 2 was incorporated on June 18, 2019 and this is its first year of operations. The PAC 2 is not required to prepare audited financial statements under the General Corporation Law of the State of Delaware. Accordingly, no financial statements of the PAC 2 are available.

5. BACKGROUND OF THE TARGET COMPANY

- 5.1 The Target Company is a public limited company incorporated in Karnataka, India. The Target Company was incorporated on December 1, 1921, as a private limited company under the name 'Ingersoll Rand India Private Limited' in Kolkata, West Bengal. The Target Company became a public limited company with effect from August 3, 1977, and pursuant to a fresh certificate of incorporation, dated August 3, 1977, issued by the Registrar of Companies, its name was changed from 'Ingersoll Rand India Private Limited' to Ingersoll-Rand (India) Limited. The Target Company has not changed its name since August 3, 1977.
- 5.2 The Target Company has its registered office at First Floor, Subramanya Arcade, No. 12/1, Bannerghatta Road, Bengaluru 560 029, Tel: +91 80 4685 5100; Fax: +91 80 4169 4399. The Corporate Identity Number (CIN) of the Target Company is L05190KA1921PLC036321.
- 5.3 The Target Company is primarily engaged in the business of manufacturing and selling of industrial air compressors of various capacities and providing related services. The Target Company sells air compressors primarily in India and also exports such products to American, Asian and European countries.
- 5.4 The Equity Shares of the Target Company are listed on BSE (Scrip ID: INGERRAND, Scrip Code: 500210) and NSE (Symbol: INGERRAND), and are frequently traded on NSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The ISIN of the Target Company is INE199A01012.
- 5.5 The trading of the Equity Shares of the Target Company is not currently suspended from any of the Stock Exchanges.
- 5.6 The Target Company's Equity Shares were previously listed on the Ahmedabad Stock Exchange Limited ("ASEL"). ASEL filed an application with SEBI seeking exit as a stock exchange through a letter dated July 11, 2014. Acting on the application, SEBI permitted ASEL to exit as a stock exchange through an order dated April 2, 2018. Accordingly, the shares of the Target Company are no longer listed on ASEL. Other than as aforesaid, the Equity Shares of the Target have not been delisted from any stock exchange in India.
- 5.7 As of the date of this Draft Letter of Offer, the authorized share capital of the Target Company is INR 320,000,000 (Indian Rupees Three Hundred Twenty Million) divided into 32,000,000 (Thirty Two Million) Equity Shares.
- 5.8 As of the date of this Draft Letter of Offer, the subscribed and fully paid-up equity share capital of the Target Company is INR 315,680,000 (Indian Rupees Three Hundred Fifteen Million Six Hundred Eighty Thousand) comprising 31,568,000 (Thirty One Million Five Hundred Sixty Eight Thousand) fully paid-up Equity Shares.
- 5.9 As of the date of this Draft Letter of Offer, there are no (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (including warrants, fully convertible securities, partly convertible securities and employee stock options) issued by the Target Company.
- 5.10 As of the date of this Draft Letter of Offer, the Voting Share Capital is as follows:

Particulars	Number of Equity Shares	% of Voting Share Capital
Fully paid up Equity Shares	31,568,000	100.00
Partly paid up Equity Shares	Nil	Nil
Total paid up Equity Shares	31,568,000	100.00
Voting Share Capital	31,568,000	100.00

- 5.11 The Target Company has not been involved in any merger, de-merger, spin-off or hiving off during the last 3 (Three) years.
- 5.12 The Target Company has no Equity Shares that are locked-in as of the date of this Draft Letter of Offer.

5.13 The Board of Directors, as of the date of this Draft Letter of Offer, is comprised as under:

Sr. No.	Name of Director and Designation	D.I.N	Experience & Qualifications	Date of Appointment
1.	Mr. Amar Kaul- Chairman and Managing Director	07574081	<p>Mr. Amar Kaul holds a B. Tech (Mechanical Engineering) degree from G. B. Pant University and a M. S. (Engineering Business Management) degree from University of Warwick, United Kingdom.</p> <p>Mr. Amar Kaul joined the Target Company in May 2011 as Vice President & General Manager – Air Solutions. He was working with Bharat Forge Limited, prior to joining the Target Company, where he was Senior Vice President. He has an experience of nearly 30 (Thirty) years in different engineering companies.</p> <p>Prior to his appointment as the Managing Director of the Target Company with effect from August 5, 2016, Mr. Amar Kaul held the office of ‘Manager’, under the Companies Act, of the Target Company from July 22, 2011 till August 4, 2016. Subsequently, at the meeting of the Board of Directors, held on November 21, 2016, Mr. Amar Kaul was also appointed as the Chairman of the Board of Directors.</p>	August 5, 2016
2.	Ms. Preeti Gupta Mohanty- Executive Director	08210994	<p>Ms. Preeti Gupta Mohanty is a qualified Chartered Accountant and has a professional experience of over 16 (Sixteen) years in various finance functions. Ms. Preeti Gupta Mohanty joined the Target Company from Glaxo Smith Kline Consumer Healthcare Limited (GSK), where she served as the Finance Director – Supply Chain (India Sub Continent). She had been working with GSK since the year 2007 and held various roles with increasing responsibility during her tenure. She was also a Non-Executive Director on the board of directors of GSK Asia Private Limited. Prior to GSK, Ms. Preeti Gupta Mohanty worked with Coca Cola India, and Deloitte, India in business assurance and advisory services.</p> <p>Ms. Preeti Gupta Mohanty has extensive knowledge and experience in areas of general & financial management, controllership, commercial & supply chain finance, financial planning & reporting, controls & compliance and mergers & acquisitions.</p> <p>Ms. Preeti Gupta Mohanty joined the Target Company in October 2019. Prior to her appointment as an Executive Director</p>	February 10, 2020

Sr. No.	Name of Director and Designation	D.I.N	Experience & Qualifications	Date of Appointment
			on the Board, she was appointed as the Chief Financial Officer of the Target Company with effect from November 5, 2019.	
3.	Mr. Naveen Samant- Non-Executive & Non-Independent Director	05127077	<p>Mr. Naveen Samant is a qualified lawyer and has professional experience of over 19 (Nineteen) years in the legal vertical. He also holds a Master's degree in International Commercial Law from Cardiff University, United Kingdom ("UK").</p> <p>Mr. Naveen Samant started his career as an associate with M/s. Dua Associates, Bangalore, in the year 2001. After completing his masters in the UK in 2005, he joined Dell International Services as 'UK/India Legal Advisor'. In the year 2007, he joined Subex Limited in Bangalore as 'Senior Legal Counsel, EMEA' and joined Ingersoll Rand Group in the year 2010 as 'Legal Counsel Leader for India operations'.</p> <p>Mr. Naveen Samant has extensive knowledge and experience in areas of corporate and commercial laws, litigation, mergers & acquisitions, commercial contracts, intellectual property and allied legislations.</p>	February 10, 2020
4.	Mr. Sekhar Natarajan- Non-Executive & Independent Director	01031445	<p>Mr. Sekhar Natarajan is a Chartered Accountant and a Cost Accountant by qualification and has served for more than 30 (Thirty) years in Monsanto India Limited ("Monsanto India") in various capacities, until his retirement.</p> <p>Mr. Sekhar Natarajan served as the Chief Executive Officer and Regional Lead at Monsanto India from June, 1980 to August, 2010. He served as the Managing Director of Monsanto India from the year 1997 up to the year 2010. He also held several leadership positions across functions including as the 'Chief Financial Officer', 'Business Development Head', 'Sales and Marketing Head', 'Global Corporate Strategy Lead' at Monsanto's Group headquarters in St. Louis, USA, and the 'India region Lead'.</p> <p>Mr. Sekhar Natarajan has been a Managing Partner of S N Consultants since September 2010.</p> <p>Mr. Sekhar Natarajan is also an active member of the Confederation of Indian</p>	July 27, 2016

Sr. No.	Name of Director and Designation	D.I.N	Experience & Qualifications	Date of Appointment
			Industry (CII), National Council on Agriculture and CII National Biotech Committee.	
5.	Ms. Vijaya Sampath- Non-Executive & Independent Director	00641110	<p>Ms. Vijaya Sampath has been a lawyer for over 35 (Thirty Five) years. She is an independent director on the Board of listed and unlisted companies in IT, manufacturing, branded luggage, power, pharmaceuticals and auto component sectors. 2 (Two) of these companies (non-listed) are Japanese joint ventures with Larsen & Toubro. She is also the Ombudsperson for the Bharti Airtel group with oversight of the code of conduct, and was its group general counsel and company secretary for over 10 (Ten) years. She has been working both as in-house counsel for large Indian conglomerates and multinational companies and also been the corporate law partner in renowned Indian law firms.</p> <p>Ms. Vijaya Sampath holds a graduate degree in English literature and law, and is a fellow member of the Institute of Company Secretaries of India. She has attended the Advanced Management Program in Harvard Business School and the Strategic Alliances Program conducted by the Wharton Business School.</p> <p>Ms. Vijaya Sampath is an advisor the corporate law committee in FICCI and works with industry on regulation and policy relating to company law. She has written articles, lectured/ been a speaker at various forums on women in professions, governance, ethics, law and practice.</p>	March 28, 2019
6.	Ms. Jayantika Dave- Non-Executive & Independent Director	01585850	<p>Ms. Jayantika Dave is a post graduate in Management (HR & Marketing) from the Delhi University. She is a certified executive coach from International Coach Federation a certified assessor for Intercultural Development Inventory (IDI), for Myers Briggs Type Indicator (MBTI), and for Personality & Profiles Inventory (PAPI). She has more than 3 (Three) decades of experience, working in various capacities in human resources functions with different information technology and technology firms. She served as Vice President – Human Resources for Ingersoll Rand Group in India until her retirement in January, 2015. Prior to joining the Ingersoll Rand group in 2009, she served as a director- human</p>	September 12, 2014 (Appointed as Independent Director w.e.f. March 28, 2019)

Sr. No.	Name of Director and Designation	D.I.N	Experience & Qualifications	Date of Appointment
			resources, Agilent Technologies Private Limited. Ms. Jayantika Dave was initially appointed as an additional Director (non-executive) on the Board of Directors, with effect from September 12, 2014. She resigned as Non-Independent Director of the Target Company effective March 27, 2019, and was appointed as an Independent Director on the Board, effective March 28, 2019.	

5.14 The PAC 2 has appointed Mr. Amar Kaul, Mr. Naveen Samant and Ms. Preeti Gupta Mohanty, as nominee directors on the Board of Directors.

5.15 The brief financial information of the Target Company as derived from its audited financial statements as at and for the 12 (Twelve) month period ended March 31, 2017, March 31, 2018, and March 31, 2019, and certified by an independent statutory auditor for such period, and the unaudited interim financial statements as at and for the 9 (Nine) month period ended December 31, 2019 and reviewed by an independent statutory auditor for such period, are as follows:

Profit & Loss Statement

Particulars	As at and for financial year ended March 31, 2017	As at and for financial year ended March 31, 2018	As at and for financial year ended March 31, 2019	As of and for the 9 month period ended December 31, 2019
	(In INR Lakh)	(In INR Lakh)	(In INR Lakh)	(In INR Lakh)
Income from operations	66,396.66	62,525.17	73,907.47	57,102.78
Other Income	7,087.44	7,141.89	3,292.41	2,050.59
Total Income	73,484.10	69,667.06	77,299.88	59,153.37
Total Expenditure	60,970.00	55,424.79	63,378.11	48,790.05
Profit Before Depreciation Interest and Tax	12,514.10	14,242.27	13,921.77	10,363.32
Depreciation	1,180.00	1,259.71	1,137.34	1,402.49
Interest	78.80	(208.02)	49.01	173.36
Profit Before Tax	11,255.30	13,190.58	12,735.42	8,787.47
Provision for Tax	3,647.90	4,284.73	4,648.40	2,257.25
Profit After Tax	7,607.40	8,905.85	8,087.02	6,530.22

Balance Sheet Statement

Particulars	As at and for financial year ended March 31, 2017	As at and for financial year ended March 31, 2018	As at and for financial year ended March 31, 2019	As of and for the 9 month period ended December 31, 2019
	(In INR Lakh)	(In INR Lakh)	(In INR Lakh)	(In INR Lakh)
<i>Sources of funds</i>				
Paid up share capital	3,156.80	3,156.80	3,156.80	3,156.80
Reserves and Surplus (excluding revaluation reserves)	1,02,999.30	1,09,691.46	38,698.97	43,013.19
Net worth	1,06,156.10	1,12,848.26	41,855.77	46,169.99

Particulars	As at and for financial year ended March 31, 2017	As at and for financial year ended March 31, 2018	As at and for financial year ended March 31, 2019	As of and for the 9 month period ended December 31, 2019
	(In INR Lakh)	(In INR Lakh)	(In INR Lakh)	(In INR Lakh)
Secured loans	0	0	0	0
Unsecured loans	0	0	0	0
Current liabilities	15,080.31	16,032.28	18,088.90	19,913.37
Total	1,21,236.41	1,28,880.54	59,944.67	66,083.36
Uses of funds				
Net fixed assets	12,804.40	12,196.16	11,910.63	13,747.64
Investments	0	0	0	0
Net current assets	1,08,432.01	1,16,684.38	48,034.04	52,335.72
Total miscellaneous expenditure not written off	0	0	0	0
Total	1,12,236.41	1,28,880.54	59,944.67	66,083.36

Other financial data

Particulars	As at and for financial year ended March 31, 2017	As at and for financial year ended March 31, 2018	As at and for financial year ended March 31, 2019	As of and for the 9 month period ended December 31, 2019
Dividend ⁽¹⁾ (in INR)	6 per Equity Share	6 per Equity Share	6 per Equity Share	3 per Equity Share
Earnings per share (in INR)	24.48	28.16	25.64	20.71
Return on Net Worth (%) ⁽²⁾	7.2%	7.9%	19.3%	14.1%
Book Value per share (in INR) ⁽³⁾	336.28	357.48	132.59	146.26

⁽¹⁾ Excludes special dividend declared and distributed by the Target Company.

⁽²⁾ Profit after tax divided by net worth.

⁽³⁾ Net worth divided by number of shares.

5.16 The shareholding pattern of the Target Company before and after this Offer assuming full acceptances, based on the latest shareholding data as of March 6, 2020 is as follows:

Shareholder's Category	Shareholding and voting rights prior to the agreement/ acquisition and Offer		Shares/ voting rights 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 the acquisition and Offer	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
a. Parties to agreement, if any	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Shareholder's Category	Shareholding and voting rights prior to the agreement/ acquisition and Offer		Shares/ voting rights 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 the acquisition and Offer	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
b. Promoters other than (a) above	23,360,000	73.9990	NIL	NIL	8,207,680	26.0000	31,567,680	99.9990
Total 1 (a+b)	23,360,000	73.9990	NIL	NIL	8,207,680	26.0000	31,567,680	99.9990
(2) Acquirer and PACs								
a. Main Acquirer	NIL	NIL	NIL	NIL	8,207,680	26.0000	8,207,680 ⁽¹⁾	26.0000 ⁽¹⁾
b. PAC 1	NIL	NIL	NIL	NIL	NIL	NIL	NIL ⁽²⁾	NIL ⁽²⁾
c. PAC 2	23,360,000 ⁽³⁾	73.9990 ⁽³⁾	NIL	NIL	NIL	NIL	23,360,000 ⁽³⁾	73.9990 ⁽³⁾
Total 2 (a+b+c)	23,360,000	73.9990	NIL	NIL	8,207,680	26.0000	31,567,680⁽¹⁾	99.9990⁽¹⁾
(3) Parties to agreement other than (1)(a) & (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(4) Public (other than parties to agreement, acquirers, & PACs)								
a. FIs/ MFs/ Banks/ SFIs (indicate names)	5,86,657	1.8583	NIL	NIL	NIL	NIL		
b. Others (Indicate the total number of shareholders in the 'public' category)	7,621,343	24.1426	NIL	NIL	NIL	NIL	320	0.0010
Total (4) (a+b)	8,208,000	26.0010	NIL	NIL	NIL	NIL	320	0.0010
GRAND TOTAL (1+2+3+4)	31,568,000	100.0000	NIL	NIL	8,207,680	26.0000	31,568,000	100.0000

⁽¹⁾ Assuming full acceptance of offer of 8,207,680 (Eight Million Two Hundred Seven Thousand and Six Hundred Eighty) Equity Shares, the Acquirer directly holds 8,207,680 (Eight Million Two Hundred and Seven Thousand Six Hundred Eighty) Equity Shares representing 26% of the Voting Share Capital and

indirectly (through its subsidiaries) holds 23,360,000 (Twenty Three Million Three Hundred Sixty Thousand) Equity Shares representing 73.9990% of the Voting Share Capital.

(2) 23,360,000 (Twenty Three Million Three Hundred Sixty Thousand) Equity Shares representing 73.9990% of the Voting Share Capital held by the PAC 1 indirectly through its subsidiaries.

(3) Pursuant to the consummation of the Underlying Transaction and as on the date of this Draft Letter of Offer, the PAC 2 holds 23,360,000 (Twenty Three Million Three Hundred Sixty Thousand) Equity Shares representing approximately 73.9990% of the Voting Share Capital.

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

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 This Offer is a mandatory open offer made under Regulations 3, 4 and 5(1), and other applicable regulations of the SEBI (SAST) Regulations, pursuant to an indirect acquisition of voting rights in, and control over, the Target Company by the Acquirer.

6.1.2 The Acquirer directly holds 100% of the total shareholding of the PAC 1, which in turn holds together with other group entities, 100% of the total shareholding of the PAC 2. The PAC 2 holds approximately 74% of the Voting Share Capital as on the date of this Draft Letter of Offer. Therefore, the Acquirer indirectly exercises 'control' over the Target Company under the SEBI (SAST) Regulations. Pursuant to the completion of the Underlying Transaction, the Acquirer has indirectly acquired voting rights in, and control over, the Target Company.

6.1.3 In a report dated March 6, 2020, prepared by SSPA & Co., Chartered Accountants (Registration Number 128851W), located at 1st floor, 'Arjun', V.P. Road, Andheri (W), Mumbai- 400 058, the provisions of Regulation 5(2) of the SEBI (SAST) Regulations have been analyzed, and SSPA & Co. has concluded that the Underlying Transaction does not constitute a 'deemed direct acquisition' under Regulation 5(2) of the SEBI (SAST) Regulations.

6.1.4 This Offer is being made by the Acquirer along with the PACs to the Public Shareholders to acquire the Offer Shares, constituting 26% of the Voting Share Capital, at the Offer Price, aggregating to the Maximum Open Offer Consideration.

6.1.5 This Offer is being made at the Offer Price of INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) per Offer Share, comprising a basic offer price of INR 592.02 (Indian Rupees Five Hundred Ninety Two Rupees and Two Paise) per Offer Share, calculated in accordance with Regulation 8(1) read with Regulation 8(3) of the SEBI (SAST) Regulations plus interest of INR 50.61 (Indian Rupees Fifty and Sixty One Paise) per Offer Share, computed at the rate of 10% per annum, for the period between April 30, 2019 and March 6, 2020, being the date of publication of the DPS, in terms of Regulation 8(12) of SEBI (SAST) Regulations.

6.1.6 The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

6.1.7 The Equity Shares of the Target Company are listed on the Stock Exchanges.

6.1.8 The trading turnover in the Equity Shares, based on the trading volume in the Equity Shares of the Target Company on the Stock Exchanges, during the period from May 1, 2018 to April 30, 2019 (i.e. 12 (Twelve) months preceding the calendar month in which the PA was issued), is as set out below:

Stock exchange	Total traded volumes during the 12 calendar months preceding the calendar month of the PA (“A”)	Total Number of listed Equity Shares (“B”)	Annualised trading turnover % (A/B)
BSE	12,93,766	31,568,000	4.10
NSE	63,59,381	31,568,000	20.15

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

6.1.9 Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, with NSE being the stock exchange where the maximum volume of trading in the shares of the Target Company has been recorded.

6.1.10 The Offer Price of INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) per Offer Share is justified in terms of Regulation 8(3) of the SEBI (SAST) Regulations, in view of the following:

S. No.	Details	Price (per share)
(a)	The highest negotiated price per Equity Share, if any, of the Target Company for any acquisition under the agreement attracting the obligation to make the PA of the Open Offer	NA
(b)	The volume-weighted average price paid or payable for any acquisition, whether by the Acquirer/ PACs, during the 52 (fifty-two weeks) immediately preceding the earlier of, the date on which the Underlying Transaction is contracted, and the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain	NA
(c)	The highest price paid or payable for any acquisition, whether by the Acquirer/ PACs, during the 26 (twenty-six) weeks immediately preceding the earlier of, the date on which the Underlying Transaction is contracted, and the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain	NA
(d)	The highest price paid or payable for any acquisition, whether by the Acquirer/ PACs, between the earlier of, the date on which the Underlying Transaction is contracted, and the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain, and the date of the PA of the Open Offer for Equity Shares of the Target Company made under the SEBI (SAST) Regulations	NA
(e)	The volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding the earlier of, the date on which the Underlying Transaction is contracted, and the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, provided such Equity Shares are frequently traded	592.02
(f)	Price at (e) above, including the 10% interest in terms of Regulation 8(12) of the SEBI (SAST) Regulations	642.63
(g)	The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations	NA [#]

Note: In terms of Regulation 8(12) of the SEBI (SAST) Regulations, in case of an indirect acquisition other than the indirect acquisition referred in Regulation 5(2) of the SEBI (SAST) Regulations, the offer price shall stand

enhanced by an amount equal to 10% per annum for the period between the earlier of the date on which the Underlying Transaction is contracted or the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain, and the date of the Detailed Public Statement, provided that such period is more than 5 (Five) Working Days.

In terms of Regulation 8(5) of the SEBI (SAST) Regulations, an indirect acquisition where:

(a) the proportionate net asset value of the Target Company, as a percentage of the consolidated net asset value of the entity or business being acquired;

(b) the proportionate sales turnover of the Target Company, as a percentage of the consolidated sales turnover of the entity or business being acquired; or

(c) the proportionate market capitalization of the Target Company, as a percentage of the enterprise value for the entity or business being acquired, is in excess of 15 percent, on the basis of the most recent audited annual financial statements, the Acquirer is required to compute and disclose the per Equity Share value of the Target Company.

In this regard, the relevant calculations for the net asset value, consolidated revenue and market capitalization in terms of Regulation 8(5) of the SEBI (SAST) Regulations, are not met for the Underlying Transaction.

- 6.1.11 The 'Agreement and Plan of Merger', was executed on April 30, 2019 and the first announcement in this respect, was made on the same day. The Underlying Transaction thereunder was closed on February 29, 2020. In terms of Regulation 8(12) of the SEBI (SAST) Regulations, the basic offer price of 592.02 (Indian Rupees Five Hundred Ninety Two Rupees and Two Paise) per Offer Share, calculated in accordance with Regulation 8(3) of the SEBI (SAST) Regulations, has been enhanced at a rate of 10% per annum calculated for the period from April 30, 2019 to March 6, 2020, being the date of the DPS, which works out to INR 50.61 (Indian Rupees Fifty and Sixty One Paise) per Offer Share.
- 6.1.12 The Offer Price thus amounts to INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) after considering the basic offer price of INR 592.02 (Indian Rupees Five Hundred Ninety Two Rupees and Two Paise), plus interest of INR 50.61 (Indian Rupees Fifty and Sixty One Paise), per Offer Share. Therefore, the Offer Price per Offer Share has been determined in accordance with the terms of Regulations 8(1), 8(3), and 8(12) of the SEBI (SAST) Regulations.
- 6.1.13 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.
- 6.1.14 The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs at any time prior to the commencement of the last 1 (One) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs are required to (i) make corresponding increases to the amount kept in the escrow account; (ii) make a public announcement in the newspapers where the Detailed Public Statement was published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. The Acquirer and/or the PACs shall not acquire any Equity Shares during the period commencing from 3 (Three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.

6.2 Financial Arrangements

- 6.2.1 The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 8,207,680 (Eight Million Two Hundred Seven Thousand Six Hundred Eighty) Offer Shares, at the Offer Price of INR 642.63 (Indian Rupees Six Hundred Forty Two and Sixty Three Paise) per Offer Share, is the Maximum Open Offer Consideration, i.e. INR 527,45,01,398.40 (Indian Rupees Five Hundred Twenty Seven Crore Forty Five Lakh One Thousand Three Hundred Ninety Eight and Forty Paise).
- 6.2.2 The Acquirer and the PACs have adequate resources to meet the financial requirements of this Open Offer and by way of security for performance of its obligations under the SEBI (SAST) Regulations, the Acquirer has (i) created an Open Offer Escrow Account named "INGERSOLL-RAND INDIA LTD OPEN OFFER ESCROW ACCOUNT" with Citibank, N.A.(acting through its office at Mumbai), the Escrow Bank and has deposited a sum of INR 5,27,50,000 (Indian Rupees Five Crore Twenty Seven Lakh Fifty Thousand) in the said Open Offer Escrow Account being in excess of 1% of the Maximum Open Offer Consideration, in compliance with Regulation 17 of the SEBI (SAST)

Regulations; and (ii) furnished the Bank Guarantee in favor of the Manager. The Bank Guarantee is valid up to December 31, 2020. The Manager has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations. The Acquirer undertakes that in case the Offer process is not completed within the validity of the Bank Guarantee, then the Bank Guarantee will be further extended at least up to the 30th (Thirtieth) day from the date of completion of payment for the Offer Shares validly tendered in the Offer. The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Acquirer, the PACs or the Target Company.

- 6.2.3 In case of any upward revision in the Offer Price or the Offer Size, the value in cash of the escrow amount and the amount of Bank Guarantee shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size, and any additional amounts required, shall be funded by the Acquirer and the PACs in the Open Offer Escrow Account and/or by increasing the amount of Bank Guarantee, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.
- 6.2.4 The source of the funds for the Offer is foreign funds.
- 6.2.5 SSPA & Co., chartered accountants, have, vide their certificate dated May 7, 2019, certified that the Acquirer has adequate financial resources through verifiable means to fulfill its payment obligations under this Offer.
- 6.2.6 The Manager has entered into the Open Offer Escrow Agreement with the Acquirer and the Escrow Bank, pursuant to which the Acquirer has solely authorized the Manager to realize the value of the Escrow Account – Cash and to operate the Open Offer Special Escrow Account which shall be opened as per the provisions of the SEBI (SAST) Regulations.
- 6.2.7 The amount deposited in the Open Offer Escrow Account, along with the Bank Guarantee is in excess of a sum total of (i) 25% of INR 5,000,000,000 (Indian Rupees Five Billion) out of the Maximum Open Offer Consideration; and (ii) 10% of the balance of the Maximum Open Offer Consideration, as required under Regulation 17(1) of the SEBI (SAST) Regulations.
- 6.2.8 Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirer and the PACs to fulfill their obligations in relation to this Offer, through verifiable means, in accordance with the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational Terms and Conditions

- 7.1.1 This Offer is being made by the Acquirer and the PACs to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date; (iii) those Public Shareholders who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer i.e. May 14, 2020, but who are not the registered Public Shareholders.
- 7.1.2 In terms of the schedule of activities, the Tendering Period for the Offer shall commence on April 29, 2020 (Wednesday) and close on May 14, 2020 (Thursday).
- 7.1.3 The Equity Shares tendered under this Offer shall be fully paid-up, free from all pledges, liens, charges, equitable interests, non-disposal undertakings and any other form of encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis. The Acquirer and/ or the PACs shall acquire the Equity Shares from the Public Shareholders who have validly tendered their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 7.1.4 This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.

- 7.1.5 This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 7.1.6 The Identified Date for this Offer as per the tentative schedule of activities is April 15, 2020.
- 7.1.7 The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One) only.
- 7.1.8 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

7.2 Eligibility for accepting the Offer

- 7.2.1 The Letter of Offer specifying the detailed terms and conditions of this Offer, along with the Form of Acceptance-cum-Acknowledgement, will be sent to all the Public Shareholders, whose names appear on the register of members of the Target Company, at the close of business hours on April 15, 2020 i.e. the Identified Date, being registered equity Public Shareholders as per the records of NSDL and CSDL, and registered Public Shareholders holding Equity Shares in physical form as per the records of the Target Company, as on the Identified Date. Accidental omission to dispatch the Letter of Offer to any person to whom the Offer is made or the non- receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way. The last date by which the individual Letter of Offer would be dispatched to each of the Public Shareholders of the Target Company is April 22, 2020.
- 7.2.2 All shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible to participate in this Offer.
- 7.2.3 The Public Announcement, the Detailed Public Statement, the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI's website.
- 7.2.4 In the event any change or modification is made to the Form of Acceptance-cum- Acknowledgement or if any condition is inserted therein by the Public Shareholder, then the Manager, the Acquirer and the PACs shall reject the acceptance of this Offer by such Public Shareholder.
- 7.2.5 The acceptance of this Offer by Public Shareholders must be unconditional, absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 7.2.6 The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
- 7.2.7 By accepting this Offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer or the PACs for the purpose of this Offer.
- 7.2.8 None of the Acquirer, the PACs, the Manager or the Registrar to the Offer accepts any responsibility for any loss of equity share certificates, Offer acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.2.9 The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer and the PACs in consultation with the Manager.
- 7.2.10 The Acquirer and the PACs reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (One) Working Day prior to the commencement of the Tendering Period, i.e., up to April 27, 2020, in accordance with the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs shall (i) make corresponding increases to the amount kept in the Open Offer Escrow Account under Regulation 17 of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such

revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer.

- 7.2.11 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute part of the terms of the Offer.
- 7.2.12 **Locked-in Equity Shares:** The locked-in Equity Shares, if any, can be transferred to the Acquirer and/ or the PACs, subject to the continuation of the residual lock-in period in the hands of the Acquirer and/ or the PACs, as may be permitted by applicable law. It is the sole responsibility of the seller to ensure that the locked-in Equity Shares are free from lock-in before such transfer to the Acquirer. The Manager shall ensure that there shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares.

7.3 Statutory and Other Approvals

- 7.3.1 To the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approvals required to complete the acquisition of the Offer Shares pursuant to the Offer, as on the date of this Draft Letter of Offer. If, however, any statutory or other approval becomes applicable prior to completion of such acquisition, the Offer would also be subject to such other statutory or other approval(s) being obtained.
- 7.3.2 To the best of the knowledge of the Acquirer and the PACs, as on the date of this Draft Letter of Offer, all statutory approvals required by the Acquirer and the PACs to complete the Underlying Transaction, have been obtained.
- 7.3.3 NRIs, OCBs and other non-resident holders of the Equity Shares, if any, must obtain all requisite approvals/exemptions required to tender the Equity Shares held by them, in this Offer, and submit such approvals/exemptions along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) had required any approvals/exemptions (including from the RBI or any other regulatory body, if applicable) in respect of the Equity Shares held by them, they will be required to submit such previous approvals/exemptions that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event, such approvals/exemptions are not submitted, the Acquirer and/or the PACs reserve the right to reject such Equity Shares tendered in this Offer.
- 7.3.4 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer 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 Offer.
- 7.3.5 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer and/or the PACs to diligently pursue such approval, grant an extension of time for the purpose of completion of this Open Offer subject to such terms and conditions as may be specified by SEBI, including payment of interest at such rate as may be prescribed by SEBI from time to time in accordance with Regulation 18(11) of the SEBI (SAST) Regulations.
- 7.3.6 In the event that any statutory approvals required by the Acquirer and/or the PACs prior to completion of the Offer, are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/or the PACs, the Acquirer and the PACs may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 (Two) Working Days of such withdrawal, in the same newspapers in which the DPS is published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER

- 8.1** The Offer will be implemented by the Acquirer and/or the PACs, subject to applicable laws, through an Acquisition Window, i.e., 'stock exchange mechanism' made available by the Stock Exchanges in the form of a separate window as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016. The facility for acquisition of Equity Shares through the stock exchange mechanism pursuant to the Offer shall be available on the Stock Exchanges in the form of the Acquisition Window.
- 8.2** BSE shall be the 'Designated Stock Exchange' for the purpose of tendering Offer Shares in the Offer.
- 8.3** 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.
- 8.4** The Public Announcement, the DPS 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 (www.sebi.gov.in).
- 8.5** Citigroup Global Markets India Private Limited has been appointed as the Buying Broker, being the registered broker, through whom the purchases and settlements on account of the Offer Shares tendered under the Offer shall be made. The contact details of the Buying Broker are mentioned below:
- Name:** Citigroup Global Markets India Private Limited
Communication Address: 1202, 12th Floor, First International Financial Centre, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai 400098
Tel No.: +91 22-61759999
Fax No.: +91 22-61759898
- 8.6** All Public Shareholders who desire to tender their Equity Shares under the Offer will have to intimate the Selling Brokers, being their respective stock brokers, within the normal trading hours of the secondary market, during the Tendering Period. The Acquisition Window will be provided by the Stock Exchanges to facilitate placing of sell orders.
- 8.7** The Selling Broker can enter orders for dematerialised Equity Shares only. The cumulative quantity tendered shall be displayed on the Stock Exchanges' website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 8.8** Modification/cancellation of orders will not be allowed during the Tendering Period.
- 8.9** The Public Shareholders can tender their Equity Shares only through Selling Broker(s) with whom such shareholder is registered as client (and has complied with the relevant 'Know Your Client' procedures and guidelines).
- 8.10** In the event the Selling Broker is not registered with BSE or NSE or if the Public Shareholders does not have any stock broker, then that Public Shareholder can approach any BSE or NSE registered stock broker and can make a bid by using quick unique client code facility through that BSE or NSE 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 a Public Shareholder is not able to bid using quick unique client code facility through any BSE or NSE registered stock broker, then the Public Shareholder may approach the Buyer Broker, to tender Equity Shares by using the quick unique client code facility. The Public Shareholders approaching BSE or NSE registered stock broker (with whom he does not have an account) may have to submit following details:
- 8.10.1** In case of Public Shareholder being an individual:

- (a) If the Public Shareholder is registered with a 'KRA', i.e., a KYC Registration Agency, the following documents will be required to be submitted (duly filled and completed):
 - (i) CKYC form, including FATCA, IPV, OSV if applicable;
 - (ii) KYC form and the supporting documents (all such documents are required to be self-attested) including bank account details (cancelled cheque);
 - (iii) DP details where the Equity Shares are deposited (demat master/latest demat statement), assuming the Equity Shares are in dematerialised mode.
- (b) If shareholder is not registered with KRA, the following documents will be required to be submitted (duly filled and completed):
 - (i) CKYC form, including FATCA, IPV, OSV if applicable;
 - (ii) KRA form;
 - (iii) KYC form and the following supporting documents required (all such documents are required to be self-attested): PAN card copy, address proof & bank account details (cancelled cheque)
 - (iv) DP details where the Equity Shares are deposited (demat master /latest demat statement), assuming the Equity Shares are in dematerialised mode.

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

8.10.2 In case of Public Shareholder being a HUF:

- (a) If shareholder is already registered with KRA, the following documents will be required to be submitted (duly filled and completed):
 - (i) CKYC form of the 'KARTA', including FATCA, IPV, OSV if applicable;
 - (ii) KYC form and the supporting documents required (all documents self-attested) including bank account details (cancelled cheque);
 - (iii) DP details where the Equity Shares are deposited (demat master/latest demat statement), assuming the Equity Shares are in dematerialised mode.
- (b) If shareholder is not registered with KRA, the following documents will be required to be submitted (duly filled and completed):
 - (i) CKYC form of the 'KARTA' including FATCA, IPV, OSV if applicable;
 - (ii) KRA form;
 - (iii) KYC form and the following supporting documents (all such documents are required to be self-attested): PAN card copy of HUF & KARTA, address proof of HUF & KARTA, HUF declaration, bank account details (cancelled cheque);
 - (iv) DP details where the Equity Shares are deposited (demat master/latest demat statement), assuming the Equity Shares are in dematerialised mode.

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

8.10.3 In case of Public Shareholder being other than Individual and HUF:

- (a) If the Public Shareholder is already registered with KRA, the following documents will be required to be submitted (duly filled and completed):

- (i) KYC form and the supporting documents (all such documents are required to be self-attested) including bank account details (cancelled cheque);
 - (ii) DP details where the Equity Shares are deposited (demat master/latest demat statement), assuming the Equity Shares are in dematerialised mode;
 - (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 (Two) years' financial statements.
- (b) If the Public Shareholder is already registered with KRA, the following documents will be required to be submitted (duly filled and completed):
- (i) KRA form;
 - (ii) KYC form and the supporting documents (all such documents are required to be self-attested): PAN card copy of company/ firm/ trust, address proof of company/ firm/ trust and bank account details (cancelled cheque);
 - (iii) DP details where the Equity Shares are deposited (demat master/latest demat statement), assuming the Equity Shares are in dematerialised mode;
 - (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 (Two) years' financial statements;
 - (xi) memorandum of association/ partnership deed/ trust deed.

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.

8.11 Procedure for tendering Equity Shares held in Dematerialised Form

- 8.11.1 The Public Shareholders who desire to tender their Equity Shares in the electronic/ dematerialized form under the Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 8.11.2 The Public Shareholders shall submit delivery instruction slip duly filled-in specifying the appropriate market type in relation to the "Open Offer" and execution date along with all other details to their respective Selling Broker so that the shares can be tendered in the Offer.
- 8.11.3 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 Offer using the Acquisition Window of the BSE or NSE.

Before placing the order/ bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay-in mechanism as prescribed by the BSE or NSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.

- 8.11.4 Upon placing the order, the Selling Broker shall provide 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.
- 8.11.5 Modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.
- 8.11.6 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 time provided by the Stock Exchange on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 8.11.7 The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/ Clearing Corporation, before the opening of the Offer.
- 8.11.8 The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Offer.
- 8.11.9 The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
- 8.11.10 **The Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement unless required by their respective Selling Broker.**
- 8.11.11 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 Offer at its address given on the cover page of the Letter of Offer. The envelope should be super scribed as “Ingersoll-Rand (India) Limited Open Offer”. The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance-cum-Acknowledgment.

8.12 Tendering the Equity Shares held in physical form:

As per the proviso to Regulation 40(1) of the SEBI LODR Regulations (notified by the Securities and Exchange Board of India (Listing and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with SEBI press release dated December 3, 2018 and March 27, 2019, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a Depository. Since the Tendering Period for this Offer opens only after April 1, 2019, the Public Shareholders desirous of tendering their Equity Shares held in physical form can do so only after the shares are dematerialized and are advised to approach the concerned DP to have their Equity Shares dematerialized.

8.13 Acceptance of Equity Shares

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

8.14 Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:

- 8.14.1 Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 8.14.2 A Public Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Offer as per the procedure mentioned in this Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgement.
- 8.14.3 The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be emailed/ dispatched to all the Public Shareholders of the Target Company, as appearing in the list of members of the Target Company as on the Identified Date. In case of non-receipt of the Letter of Offer along with Form of Acceptance-cum-Acknowledgement, such eligible 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 Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- 8.14.4 Alternatively, in case of non-receipt of the Letter of Offer, the Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as mentioned in paragraphs 8.10 and 8.11. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Tendering Period.

8.15 Settlement Process

- 8.15.1 On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- 8.15.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.
- 8.15.3 For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds pay-out to respective eligible Public Shareholders. 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 their respective shareholders.
- 8.15.4 In case of certain client types viz. NRIs, non-resident clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for onwards releasing the same to their respective Public Shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 8.15.5 The Public Shareholders will have to ensure that they keep the Depository Participant account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non – acceptance of the shares under the Offer.
- 8.15.6 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- 8.15.7 In case of partial or non-acceptance of orders, the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker, and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

- 8.15.8 Public Shareholders who intend to participate in the 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 Offer (secondary market transaction). The 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, the PACs and the Manager accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 8.15.9 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/ attachment orders/ restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions/ orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 8.15.10 Buying Brokers would also issue a contract note to the Acquirer and/or the PACs for the Equity Shares accepted under the Offer.
- 8.15.11 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number to the Acquirer and/or the PACs. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 8.15.12 The Acquirer and PACs intend to complete all formalities, including the payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer, within a period of 10 (Ten) Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations. However, in case of delay in receipt of any statutory approval(s), SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on part of the Acquirer/ PACs to diligently pursue such approval, and subject to such terms and conditions as specified by SEBI (including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirer/ PACs pending receipt of such statutory approval(s) to make payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer.

8.16 Note on taxation

THE SUMMARY OF THE INCOME-TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE 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 ABOVE. 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 PUBLIC 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, PUBLIC SHAREHOLDERS ARE ADVISED 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 ACQUIRER AND THE PACS DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS SUMMARY. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND SUMMARY OF INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGES IN INDIA, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

- 8.16.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to pay income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or is deemed to accrue or arise in India) and income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where the company is "incorporated".
- 8.16.2 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 IT Act.
- 8.16.3 Further, the non-resident shareholder can avail benefits of the DTAA, between India and the respective country of which the said shareholder is a tax resident subject to satisfying relevant conditions including: (i) those set out in limitation of benefits provisions present in the said DTAA (if any), (ii) the non-applicability of GAAR, (iii) conditions under multilateral instrument ('MLI') as ratified; and (iv) providing and maintaining necessary information and documents as prescribed under the IT Act.
- 8.16.4 The IT Act also provides for different income-tax regimes / rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. The summary of income-tax implications on tendering of listed equity shares on the recognized stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.
- 8.16.5 **Classification of shareholders:** Public Shareholders can be classified under the following categories:
- (a) Resident shareholders being:
 - (i) Individuals, HUF, AOP and BOI
 - (ii) Others (such as company, firm etc.)
 - (b) Non-Resident shareholders being:
 - (i) NRIs
 - (ii) FPIs / erstwhile foreign institutional investors ("FIIIs")
 - (iii) Others:
 - A foreign company
 - Other than a foreign company
- 8.16.6 Classification of income:

- (a) Shares held as investment (Income from transfer is taxable under the heading "Capital Gains"); and
- (b) Shares held as stock-in-trade (Income from transfer is taxable under the heading "Profits and Gains of Business or Profession")
- 8.16.7 As per the current provisions of the IT Act, unless specifically exempted, income arising from the sale of equity shares in an Indian company are generally taxable in India either as "capital gains" under Section 45 of the IT Act or as "business profits/income", depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Further, please note that Section 2(14) of the IT Act provides for deemed characterisation of securities held by FPIs as capital asset and therefore, the gains arising in hands of FPIs will be taxable in India as capital gains.
- 8.16.8 **Shares held as investment:** As per the provisions of the IT Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head "Capital Gains". Capital gains in the hands of shareholders would be computed as per provisions of Section 45 read with Section 48 of the IT Act and the rate of income-tax would depend on the period of holding.
- 8.16.9 **Period of holding:** Depending on the period for which the shares are held, the gains would 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 will be treated as a "short-term capital asset", and accordingly, the gains arising therefrom will be taxable as STCG, i.e., short-term capital gains.
- (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 LTCG i.e., long-term capital gains.
- 8.16.10 **Tendering of Shares in the Offer through a Recognized Stock Exchange:** Where a transaction for transfer of such Equity Shares (i.e. acceptance under the Open Offer) is transacted through a recognized stock exchange 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 vide Section 112A, has imposed an income-tax on long-term capital gains at the rate of 10% (plus applicable surcharge and cess) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to STT upon both acquisition and sale.
- The gain accrued on such equity shares till January 31, 2018 has been exempted by providing that for the purpose of computing LTCG the cost of shares acquired before 1 February 2018 shall be the higher of the following:
 - (A) Actual cost of acquisition; or
 - (B) 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.
 - After taking into account the exemption provided above, LTCG arising from transfer of equity shares, exceeding Rs. 1,00,000 (Indian Rupees One Lakh), will be taxable at 10% (plus applicable surcharge and cess) without allowing the benefit of indexation.
- (b) However, if STT is not paid on transfer of Equity Shares pursuant to this Offer (unless the stock exchange settlement mechanism is utilized by the Acquirer and/or the PACs (as the case may be) for the Offer), the provisions of Section 112A of the IT Act shall not be applicable.

- (c) Similarly, if such equity shares (being transferred pursuant to this offer) were acquired on or after 1 October 2004 and securities transaction tax ('STT under Chapter VII of the Finance (No. 2) Act, 2004') was not paid at the time of acquisition, then Section 112A of the IT Act shall not apply. In this regard, the Central Government has issued a notification no. 60/2018/F. No. 370142/9/2017-TPL dated 1st October, 2018, providing certain situations wherein section 112A of the IT 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.

- (d) Where provisions of section 112A are not applicable, LTCG will be chargeable to tax as follows:
- (i) At the rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
 - (ii) At the rate of 10% (plus applicable surcharge and cess) in the case of FIIs/FPIs, in accordance with provisions of section 115AD of the IT Act.
 - (iii) At the rate of 10% (plus applicable surcharge and cess) in the case of an NRI (who is governed by the provisions of Chapter XII-A of the IT Act) under Section 115E of the IT Act.
 - (iv) For a resident shareholder, LTCG is payable at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation.
- (e) STCG will be chargeable to tax as follows:
- (i) At the rate of 15% (plus applicable surcharge and cess) provided STT is paid on the transaction under Section 111A of the IT Act.
 - (ii) However, since STT will not be applicable to the Equity Shares transferred in this Offer (unless the stock exchange settlement mechanism is utilized by the Acquirer and/or the PACs (as the case may be) for the Offer), the provisions of Section 111A of the IT Act shall not be applicable and STCG shall be taxable at the rates prescribed in First Schedule to the Finance Act (i.e. normal tax rates applicable to different categories of persons).
 - (iii) In case of FIIs/ FPIs, STCG would be taxable at the rate of 30% (plus applicable surcharge and cess).
- (f) 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 IT Act.

- (g) In addition to the above LTCG or STCG tax, applicable Surcharge, Health and Education Cess are leviable (Please refer to Paragraph 8.16.13 (*Rate of Surcharge and Cess*)).
- (h) 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. Likewise for non-company shareholders, applicability of the provisions of MAT will also have to be analysed depending upon the facts of the each case.
- (i) Taxability of capital gains arising to a non-resident in India from the transfer of equity shares shall be determined on the basis of the provisions of the IT Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to fulfilment of relevant conditions for availing treaty benefits, provisions of the law of the country of residence of the Seller, and non-applicability of GAAR (demonstrated through commercial substance and strong rationale behind the transaction) and maintaining and providing necessary documents prescribed under the IT Act.

8.16.11 **Shares held as stock-in trade:** If the shares are held as stock-in-trade by any of the eligible Public Shareholders of the Target Company, then the gains would be characterized as business income and taxable under the heading "Profits and Gains of Business or Profession".

(a) **Resident Shareholders:**

Profits of:

- (i) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- (ii) Domestic companies will be taxable at applicable rates up to 30% (plus applicable surcharge and cess)
- (iii) For persons other than stated in (i) and (ii) above, profits will be taxable @ 30% (plus applicable surcharge and cess)

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

(b) **Non Resident Shareholders:**

- (i) 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 IT Act.
- (ii) 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% (plus applicable surcharge and cess)
 - For other non-resident Shareholders, such as foreign firms, profits will be taxed in India @ 30% (plus applicable surcharge and cess)

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

8.16.12 Tax Deduction at Source:

(a) **Resident shareholders:**

In the absence of any specific provision under the IT Act, the Acquirer and/or the PACs (as the case may be) is not required to deduct tax on the consideration payable to resident Public Shareholders pursuant to tendering of the Equity Shares under the Open Offer.

(b) **Non-Resident Shareholders:**

(i) In case of FPIs:

- Section 196D of the IT Act provides for specific exemption from withholding tax in case of Capital Gains arising in hands of FPIs. Thus, no withholding of tax is required in case of consideration payable to FPIs, subject to the following conditions:
 - (1) FIIs / FPIs furnishing the copy of the valid registration certificate issued by SEBI (including for subaccount of FII / FPI, if any);
 - (2) FIIs / FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations. Such FIIs / FPIs will be liable to pay tax on their income as per the provisions of the IT Act.
- If the above conditions are not satisfied, FIIs / FPIs may submit a valid and effective certificate for deduction of tax at a nil/lower rate issued by the income-tax authorities under the IT Act (“TDC”), along with the Form of Acceptance cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer and/or the PACs (as the case may be) before remitting the consideration. The Acquirer and/or the PACs (as the case may be) shall deduct tax in accordance with such TDC.
- In case TDC is not submitted requiring lower withholding of tax or is otherwise not valid and effective as of the date on which tax is required to be deducted at source, the Acquirer and/or the PACs (as the case may be) will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the IT Act, on the gross consideration for acquisition of shares, payable to such shareholder under the Offer.

(ii) In case of non-resident Public Shareholders (other than FPIs) holding Equity Shares of the Target Company:

- Section 195(1) of the IT 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 IT Act read with the provisions of the relevant DTAA, if applicable.
- Accordingly, each non-resident shareholder is required to obtain and submit TDC along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted on gross consideration by the Acquirer and/or the PACs (as the case may be) before remitting the consideration. In such a case, the Acquirer and/or the PACs (as the case may be) shall deduct tax in accordance with such TDC.
- In case TDC is not submitted requiring lower withholding of tax by non-resident shareholders (other than FIIs /FPIs) including NRIs / foreign shareholders or is otherwise not valid and effective as of the date on

which tax is required to be deducted at source, the Acquirer and/or the PACs (as the case may be) will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the IT Act (i.e. 40% in case of foreign company, 30% in case of all other category of persons plus applicable surcharge and cess), on the gross consideration for acquisition of shares, payable to such shareholder under the Offer.

- In doing this, the Acquirer and/or the PACs (as the case may be) 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 Public Shareholders provide a specific mandate in this regard.
- Since the Offer is through the recognised stock exchanges, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident Public Shareholder. The non-resident Public Shareholders must compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate. 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 Public Shareholders undertake to indemnify the Acquirer and the PACs if any tax demand is raised on the Acquirer or the PACs (as the case may be) on account of gains arising to the non-resident Shareholders pursuant to this Offer. The non-resident Public Shareholders also undertake to provide the Acquirer and PACs, 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.

8.16.13 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: Surcharge @ 12% is leviable where the total income exceeds Rs. 10 crore; and @ 7% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.

If the Domestic Company opts for concessional tax rates under Section 115BAA and 115BAB of the IT Act, surcharge shall be applicable @ 10%

- (ii) In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds Rs. 10 crore and @ 2% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.

- (iii) In case of individuals, HUF, AOP, BOI:

- Surcharge at the rate of 10% is leviable where the total income exceeds INR 50 lakh but does not exceed INR 1 crore.
- Surcharge at the rate of 15% is leviable where the total income exceeds INR 1 crore but does not exceed INR 2 crore.
- Surcharge at the rate of 25% is leviable where the total income exceeds INR 2 crore but does not exceed INR 5 crore.

- Surcharge at the rate of 37% is leviable where the total income exceeds INR 5 crore.

However, for the purpose of income chargeable under section 111A, 112A and 115AD, the surcharge rate shall not exceed 15%

- (iv) In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs. 1 crore.

(b) **Cess**

Health and Education Cess @ 4% is currently leviable in all cases

8.16.14 Others

(a) Submission of PAN and other details

- (i) All non-resident shareholders are required to submit their PAN details along with self attested copy of the PAN card for income-tax purposes. In absence of PAN for non-resident shareholders, as per Notification No. 53 /2016, F.No.370 142/16/2016-TPL, they shall furnish self-attested copy of documents containing the following details:

- (A) Name, email id, contact number;
- (B) Address in the country of residence;
- (C) Tax Residency Certificate (“**TRC**”) from the government of the country of residence, if the law of such country provides for issuance of such certificate; and
- (D) Tax identification number in the country of residence, and in case no such number is available, then a unique number on the basis of which such non-resident is identified by the government of the country of which he claims to be a resident.

- (ii) If PAN is not furnished, or in case of non-resident shareholders not having a PAN the aforesaid details are not furnished, the Acquirer and/or the PACs (as the case may be) will arrange to deduct tax at least at the rate of 20% as per provisions of Section 206AA of the IT Act or at such rate as applicable and provided above for each category of the shareholders, whichever is higher. The provisions of Section 206AA of the IT Act would apply only where there is an obligation to deduct tax at source.

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

- (c) In case of interest payments (if any) by the Acquirer and/or the PACs (as the case may be) for delay in payment of the consideration for the Offer Shares or a part thereof, the Acquirer and/or the PACs (as the case may be) will deduct taxes at source at the applicable rates as per the IT Act. The Public shareholders shall submit requisite documents to the Acquirer and/or the PACs (as the case may be) for the purpose of deduction of taxes, failing which, the Acquirer and/or the PACs (as the case may be) will deduct tax at higher rates as may be applicable under the IT Act.

- (d) Notwithstanding the details given above, all payments will be made to equity shareholders subject to compliance with prevailing tax laws. Based on the documents and information submitted by the shareholder, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer and/or the PACs (as the case may be). In case of non-resident, if TDC is not furnished or the furnished TDC is not valid or

effective as on the date of deduction then the tax will be deducted at the maximum marginal rate (plus surcharge and cess) on the gross value of consideration.

- (e) Even if tax is deducted by the Acquirer and/or the PACs (as the case may be) while making payment to a Public Shareholder, it may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income-tax authorities. The rate at which tax is required to be deducted is based on the tax laws prevailing as on the date of the Letter of Offer. If there is any change in the tax laws with regards to withholding tax rates as on the date of deduction of tax, the tax will be deducted at the rates applicable at the time of deduction of tax.
- (f) If the Acquirer and/or the PACs (as the case may be) does deduct tax, it shall be as per the information provided and representation made by the Public Shareholders. In an event of any income-tax demand (including interest, penalty etc.) arising from any misrepresentation, inaccuracy or omission of information provided/ to be provided by the Public Shareholders, such Public Shareholders will be responsible to pay such income-tax demand under the IT Act and provide the Acquirer and the PACs with all information/ documents that may be necessary and co-operate in any proceedings before income-tax/ appellate authority in India. Each Public Shareholder shall indemnify and hold the Acquirer and the PACs harmless from and against any and all losses, damages, costs, expenses, liabilities, (whether accrued, actual, contingent), of whatever nature or kind including all legal and professional fees and costs that are actually incurred by the Acquirer and/or the PACs (as the case may be) arising out of, involving or relating to, or in connection with any taxes (including interest and penalties) payable by such Public Shareholder pursuant to the Offer and any obligation of the Acquirer and/or the PACs (as the case may be) to deduct taxes at source from any payments made pursuant to the Offer.
- (g) Taxes once deducted will not be refunded by the Acquirer and/or the PACs (as the case may be) under any circumstances
- (h) All shareholders are advised to consult their tax advisors for the treatment under the IT Act and 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 PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

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 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.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by Public Shareholders at the office of the Manager at the office of the Manager, between 10:30 a.m. and 3:00 p.m. on any Working Day (except Saturdays, Sundays) during the period from the date of commencement of the Tendering Period (April 29, 2020 (Wednesday)) until the date of closure of the Tendering Period (May 14, 2020 (Thursday)).

- (a) Certified copies of the Certificate of Incorporation and By-Laws (including amendments thereto) of the Acquirer;
- (b) Certified copies of the Certificate of Incorporation and By-Laws (including amendments thereto) of the PACs;

- (c) Certificate dated May 7, 2019 from by SSPA & Co., Chartered Accountants (Registration Number 128851W), located at 1st floor, 'Arjun', V.P. Road, Andheri (W), Mumbai- 400 058, certifying that the Acquirer has adequate financial resources to fulfill its obligations under this Offer;
- (d) Certified copies of annual reports of the Acquirer for the last three financial years (as of and for the financial years ended December 31, 2017, December 31, 2018, and December 31, 2019);
- (e) Certified copies of the audited annual reports of the Target Company for the three financial years ending on March 31, 2017, March 31, 2018, and March 31, 2019 and the unaudited interim financial statements as at and for the 9 (Nine) month period ended December 31, 2019;
- (f) Letter dated March 3, 2020, from the Open Offer Escrow Agent confirming the receipt of the Open Offer Escrow Amount and stating that the Open Offer Escrow Account shall be operated in terms of the Open Offer Escrow Agreement;
- (g) Copy of the Agreement and Plan of Merger, dated as of April 30, 2019, entered into amongst the Acquirer, Trane, the PAC 1 and Charm;
- (h) Copy of the Separation and Distribution Agreement, dated as of April 30, 2019, by and between Trane and the PAC 1;
- (i) Copy of the Public Announcement (including any corrigendum to it);
- (j) Copy of the Detailed Public Statement (including any corrigendum to it);
- (k) Copy of the Offer Opening Public Announcement (including any corrigendum to it) to be published by the Manager on behalf of the Acquirer;
- (l) Published copy of the recommendation to be made by the committee of the independent directors of Target Company in relation to the Offer;
- (m) SEBI observation letter no. [•] dated [•], 2020, on the Draft Letter of Offer; and
- (n) Copy of the Open Offer Escrow Agreement dated February 28, 2020, between the Acquirer, the Manager and the Open Offer Escrow Agent.

10. DECLARATION BY THE ACQUIRER AND THE PACS

- 10.1** The Acquirer and the PACs and their respective directors accept full responsibility for the information contained in the Draft Letter of Offer including the Form of Acceptance-cum-Acknowledgement (except for the information with respect to the Target Company which has been compiled from information published or provided by the Target Company as the case may be, or publicly available sources and which information has not been independently verified by the Acquirer, the PACs or the Manager).
- 10.2** The Acquirer and the PACs shall be jointly and severally responsible for the fulfilment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
- 10.3** The information pertaining to the Target Company contained in the PA or the Detailed Public Statement or the Draft 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, as the case may be, or publicly available sources which has not been independently verified by the Acquirer, the PACs or the Manager. The Acquirer and the PACs do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.
- 10.4** The information contained in this Draft Letter of Offer is as of the date of this Draft Letter of Offer, unless expressly stated otherwise.

10.5 The person(s) signing this Draft Letter of Offer are duly and legally authorized by the Acquirer and the PACs, as applicable, to sign the Draft Letter of Offer.

For and on behalf of the Acquirer and the PACs

**For Ingersoll Rand Inc.
(Acquirer)**

**Sd/-
Authorized Signatory**

**For Ingersoll-Rand U.S. Holdco, Inc.
(PAC 1)**

**Sd/-
Authorized Signatory**

**For Ingersoll-Rand Industrial U.S., Inc.
(PAC 2)**

**Sd/-
Authorized Signatory**

Place: Davidson, North Carolina, United States of America

Date: March 16, 2020

FORM OF ACCEPTANCE
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

[Public Shareholders holding shares in demat mode are not required to fill the Form of Acceptance unless required by their respective selling broker.]

INGERSOLL-RAND (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)

To,

The Acquirer and the PACs
 C/o Link Intime India Private Limited
 Unit: Ingersoll-Rand (India) Limited – Open Offer
 C-101, 247 Park, Lal Bahadur Shastri Marg,
 Vikhroli (West), Mumbai – 400 083
 Tel: +91-22-4918 6200
 Email: ingersollrand.offer@linkintime.co.in

TENDERING PERIOD FOR THIS OFFER	
OFFER OPENS ON	●
OFFER CLOSSES ON	●

Dear Sir,

SUB: CASH OFFER OF INR 642.63 (INDIAN RUPEES SIX HUNDRED FORTY TWO AND SIXTY THREE PAISE) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN) EACH, TO ACQUIRE UP TO 8,207,680 (EIGHT MILLION TWO HUNDRED SEVEN THOUSAND SIX HUNDRED EIGHTY) EQUITY SHARES (THE “OFFER SHARES”) REPRESENTING 26% OF THE VOTING SHARE CAPITAL, UNDER THE SEBI (SAST) REGULATIONS, FROM THE PUBLIC SHAREHOLDERS OF INGERSOLL-RAND (INDIA) LIMITED.

I / We refer to the Letter of Offer dated [●], [●] for acquiring the Equity Shares held by me / us in Ingersoll-Rand (India) Limited.

I / We, the undersigned, have read the PA, the DPS, the LOF and the issue opening public announcement cum corrigendum, and understood its contents, including the terms and conditions mentioned therein and unconditionally agree to such terms and conditions.

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 the Public Shareholder(s)	Permanent Account Number (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): Fax No. (with STD Code):		Mobile No.:
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date and Place of incorporation (if applicable)			

FOR ALL PUBLIC SHAREHOLDERS

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer are not locked-in and are free from pledges, liens, charges, equitable interests, non-disposal undertakings and 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.

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

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

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

I / We confirm that I / we are not persons acting in concert with the Acquirer and/or the PACs.

I / We give my/our consent to the Acquirer and PACs to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. 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 PACs to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I / We are / am not debarred from dealing in shares or securities, including Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act including but not limited to Section 281 of the Income Tax Act.

I / We note and understand that the Equity Shares will be held by the Clearing Corporation in trust for me / us till the date the Acquirer and/or PACs make payment of consideration as mentioned in the Letter of Offer and other documents are dispatched to the Shareholders, as the case may be.

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

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 authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer may decide to accept in consultation with the Managers to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / We further authorize the Acquirer to return to me / us, Equity Shares in respect of which this Offer is not found valid / not accepted without specifying the reasons thereof.

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

I/We, confirm that my/ our residential status 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"/> Indian Company
<input type="checkbox"/> Indian Trust	<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"/> Others – please specify:		
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I/We confirm that my/our investment status is (and “✓” whichever is applicable):

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

I/We confirm that the Equity Shares tendered by me/us are held on (whichever is applicable):

- Repatriable basis
- Non-repatriable basis

I/We confirm that (“✓” whichever is applicable):

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

I/We confirm that (“✓” whichever is applicable):

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

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
- For Mutual funds / Banks / Notified Institutions under Section 194A(3)(iii) of the Income Tax Act, 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.

BANK DETAILS

For 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.

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

Yours faithfully,

Signed and Delivered:	Full Name	PAN	Signature
First / Sole 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 – Ingersoll-Rand (India) Limited – Open Offer

Received from Mr./Ms./M/s. _____			
Form of Acceptance-cum-Acknowledgement for Ingersoll-Rand (India) Limited Offer as per details below:			
Copy of delivery instruction to depository participant of Client ID for _____ Equity Shares			
Date	of	Stamp of collection centre:	Signature of Official:

INSTRUCTIONS

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

1. This Form must be legible and should be filled in English only.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. Eligible 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. 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. **Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Offer can do so only after the Equity Shares are dematerialised. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialised.**
5. 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 Offer.
6. 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.
7. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Offer Shares in respect of which the acceptance is being sent.
8. 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.
9. The Selling Broker(s) shall print the Transaction Registration Slip (TRS) generated by the exchange bidding system.
10. 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.
11. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the LOF at Part 8 (*Procedure for Acceptance and Settlement of the Offer*).
12. The Letter of Offer along with the Form of Acceptance is being dispatched/ sent through electronic mail to all the Public Shareholders as on 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 Offer on providing suitable documentary evidence of holding of the Equity Shares.
13. The Form of Acceptance or TRS is not required to be submitted to the Acquirer, the PACs, the Manager to the Offer or the Registrar to the 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
14. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Offer shall be deemed to have been accepted for the eligible Public Shareholders holding Equity Shares in demat form.
15. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.
16. All the Public Shareholders are advised to refer to Part 8, paragraph 8.16 (*Note on Taxation*) in the Letter of Offer in relation to important disclosures regarding the taxes to be deducted on the consideration to be received by them.
17. 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 to purchase the Offer Shares so tendered. In the event any such

approvals are not submitted, the Acquirer reserves 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.

18. If the resident and non-resident 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 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 or the PAC.

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

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



LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Tel: +91 22 4918 6200 Fax: +91 22 4918 6195

Email: ingersollrand.offer@linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration No.: INR000004058