

Date: June 10, 2021

To,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001, Maharashtra

Respected Sir/ Madam,

SUBJECT: OPEN OFFER BY VR INTEGRATED PROJECT MANAGEMENT PRIVATE LIMITED (“ACQUIRER”) TO THE SHAREHOLDERS OF GAYATRI TISSUE & PAPERS LIMITED (GTPL) TO ACQUIRE FROM THEM UPTO 3,75,300 EQUITY SHARES OF RS.10/- EACH REPRESENTING 25.02% OF THE EQUITY AND VOTING SHARE CAPITAL OF GTPL @ RS.28.00 PER FULLY PAID-UP EQUITY SHARE

We are pleased to inform you that we have been appointed as the “Manager to the Offer” by the Acquirer for the above-mentioned Open Offer. The Equity Shares of GTPL are listed on the BSE Limited (“BSE”).

We would further like to inform you that the Acquirer has entered into a Share Purchase Agreement dated June 01, 2021, with the present Promoter of the Target Company for acquisition of 11,24,700 Equity Shares constituting 74.98% of the total equity and voting share capital of the Target Company.

Pursuant to and in compliance with, *inter alia*, Regulations 3(1) and 4 read with Regulations 13(1), 14 and 15(1) and other applicable regulations of the SEBI (SAST) Regulations, the Acquirer is making the Open Offer for acquisition of up to 3,75,300 (Three Lakhs Seventy-Five Thousand Three Hundred only) fully paid-up equity shares of face value of Rs.10.00/- (Rupees Ten only) each (“Equity Shares”), representing 25.02%[#] of the Voting Share Capital of the Target Company (“Open Offer” or “Offer”).

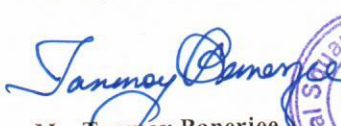
[#]As per the SEBI (SAST) Regulations, the Open Offer under Regulations 3(1) & 4 is required to be given for at least 26% of the voting share capital of the Target Company. However, the shareholding of the Public Shareholders, as on date of the Public Announcement, is 25.02% and therefore the Offer Shares represent 25.02% of the voting share capital of the Target Company.

In the light of the above, we would like to inform you that the Draft Letter of Offer has been dispatched to SEBI in respect of the above captioned matter. We are enclosing herewith a copy of the Draft Letter of Offer for your necessary perusal.

We hope your good self will find the above in order.

Thanking you,

Yours faithfully,
For CapitalSquare Advisors Private Limited


Mr. Tannoy Banerjee
(Vice President)



Encl.: As Above

CAPITAL SQUARE ADVISORS PRIVATE LIMITED

Regd. Address : 208, 2nd Floor, AARPEE Centre, MIDC Road No. 11, Andheri (E), Mumbai 400093, India.
Tel - +91 22 66849999 Fax - +91 22 66849998 | CIN No. U65999MH2008PTC187863 | Website : www.capitalsquare.in

DRAFT LETTER OF OFFER

“This Document is important and requires your immediate attention”

This Draft Letter of Offer is sent to you as a shareholder(s) of **GAYATRI TISSUE & PAPERS LIMITED**. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager/Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over this Draft Letter of Offer to the Member of the Stock Exchange through whom the said sale was effected.

| OPEN OFFER BY | | | |
|---|--|-----------------|--|
| Name | Registered Office Address | Contact Details | Email ID |
| VR Integrated Project Management Private Limited (“Acquirer”) | 1142, Atmosphere, 6th Main, Sector 7, HSR Layout, Bangalore – 560 102, Karnataka, India. | +91 7075556647 | admin@vripm.com md@vripm.com |

TO THE EXISTING PUBLIC SHAREHOLDERS OF GAYATRI TISSUE & PAPERS LIMITED
(“GTPL” or the “Target Company”)
CIN: L45100MH1987PLC042141

Registered Office: 16/37, No.5, Near Prabodhan Krida Bhawan, Siddhartha Nagar, Goregaon (West), Mumbai – 400 104, Maharashtra, India

Corporate Office: B-1, TSR Towers, 6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad-500 082, Telangana, India
Tel No.: +91 40 2331 0330 / 4284 / 4296; **Fax No.:** +91 40 2339 8435;
Website: www.gtpltd.co.in; **Email ID:** csdinesh@gayatri.co.in; cs@gayatri.co.in

For the acquisition of up to 3,75,300 (Three Lakh Seventy-Five Thousand Three Hundred) fully paid-up equity shares of Rs.10.00/- (Rupees Ten Only) (“Equity Shares”) each, representing 25.02%# of the voting share capital of the Target Company, at a price of Rs.28.00/- (Rupees Twenty-Eight Only) per Equity Share (“Offer Price”) payable in cash (“Offer” or “Open Offer”).
Note: #As per the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations”), the Open Offer under Regulation 3(1) and Regulation 4 is required to be given for at least 26% of the voting share capital of the Target Company. However, the shareholding of the Public Shareholders, as on date, is 25.02%, therefore the Offer Shares represent 25.02% of the voting share capital of the Target Company.

Please Note:

- This Offer is being made by the Acquirer pursuant to Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company;
- As on the date of this Draft Letter of Offer, there are no other statutory approvals required to acquire the Equity Shares that are validly tendered pursuant to this Offer. If any statutory approval becomes applicable prior to the completion of this Offer, this Offer would also be subject to such other statutory approval(s). For more details regarding the statutory and other approvals for this Offer, please see paragraph 6.8. (Statutory Approvals and Conditions of the Offer) at page 16 of this Draft Letter of Offer;
- If there is any upward revision in the Offer Price/size at any time up to one (1) working day prior to commencement of the tendering period viz. Thursday, July 22, 2021, in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement had appeared. The same price shall be payable by the Acquirer for all the Equity Shares tendered anytime during the Open Offer. If the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the Detailed Public Statement had appeared;
- This is not a competitive offer as per Regulation 20 of the SEBI (SAST) Regulations;**
- If there is a competitive bid, the public offers under all the subsisting bids shall open and close on the same date;**
- The Public Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/Draft Letter of Offer (DLoO), shall not be entitled to withdraw such acceptance during the tendering period;
- This Offer is not subject to a minimum level of acceptance by the Public Shareholder of GTPL and is not a conditional offer;
- The Procedure for Acceptance is set out in Paragraph 7 of this Draft Letter of Offer;
- A copy of the Public Announcement, the Detailed Public Statement and this Draft Letter of Offer would also be available on website of SEBI at www.sebi.gov.in.

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|  <p>Teaming together to create value</p> |  <p>25 Years OF SERVICE EXCELLENCE</p> |
| MANAGER TO THE OFFER CAPITALSQUARE ADVISORS PRIVATE LIMITED SEBI Regn. No: INM000012219 Contact Person: Mr. Tanmoy Banerjee 208, 2nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai – 400 093, Maharashtra, India Phone No: +91-22-6684 9999/9874283532 Email: tanmoy.banerjee@capitalsquare.in / mb@capitalsquare.in Website: www.capitalsquare.in | REGISTRAR TO THE OFFER VENTURE CAPITAL & CORPORATE INVESTMENTS PRIVATE LIMITED SEBI Regn. No.: INR000001203 Contact Person: Mr. P V Srinivasa Rao 12-10-167, Bharat Nagar, Hyderabad – 500 018, Telangana, India Phone No: 040 - 23818475/ 23818476/ 23868023 E-mail: investor.relations@vccipl.com / pvsrinivas@vccipl.com Website: www.vccipl.com |
| OFFER OPENS ON: FRIDAY, JULY 23, 2021 | OFFER CLOSSES ON: THURSDAY, AUGUST 05, 2021 |

TENTATIVE SCHEDULE OF ACTIVITIES RELATING TO THE OFFER

| Activities | Date | Day |
|--|-----------------|----------|
| Date of the Public Announcement | 1 June, 2021 | Tuesday |
| Last date of publication of Detailed Public Statement in newspapers | 8 June, 2021 | Tuesday |
| Last date of filing of the Draft Letter of Offer with SEBI | 15 June, 2021 | Tuesday |
| Last date of Public Announcement for Competing Offer [#] | 29 June, 2021 | Tuesday |
| Last Date for receiving comments from SEBI on the Draft Letter of Offer (In the event SEBI has not sought clarification or additional information from the Manager to the Offer) | 6 July, 2021 | Tuesday |
| Identified Date [*] | 8 July, 2021 | Thursday |
| Last date by which Letter of Offer will be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date | 15 July, 2021 | Thursday |
| Last date by which committee of the Independent Directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Offer | 20 July, 2021 | Tuesday |
| Last date for revising the Offer Price / Offer Size | 22 July, 2021 | Thursday |
| Offer Opening Public Announcement | 22 July, 2021 | Thursday |
| Date of commencement of Tendering Period (Offer Opening Date) | 23 July, 2021 | Friday |
| Date of closing of Tendering Period (Offer Closing Date) | 5 August, 2021 | Thursday |
| Date by which all requirements including payment of consideration would be completed | 23 August, 2021 | Monday |

Note:

Schedule of Activity may be changed as this Offer is subject to getting requisite approval from SEBI;

#There has been no competing offer as of the date of this Draft Letter of Offer.

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

RISK FACTORS

A. Relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirer

1. This Offer involves an offer to acquire up to 25.02% of the voting share capital of GTPL from the eligible persons for this Offer. In the case of oversubscription in this Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the public shareholders in this Offer will be accepted;
2. To the best of knowledge and belief of the Acquirer, as of the date of this Draft Letter of Offer, there are no other statutory approvals required for this Open Offer, save and except as set out in paragraph 6.8. (Statutory Approvals and Conditions of the Offer) of this Draft Letter of Offer. However, if any other statutory approvals are required prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable later;
3. In the event that either (a) the regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on this Offer, or (c) SEBI instructs the Acquirer not to proceed with this 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 of GTPL whose Equity Shares have been accepted in this Offer as well as the return of Equity Shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 18 (11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI;
4. Public Shareholders should note that shareholders who have tendered their Equity Shares in acceptance of this Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Equity Shares under this Offer and dispatch of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. This Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer under the Offer. The Acquirer may not be able to proceed with this Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of this Offer.

B. Risks involved in associating with the Acquirer

1. The Acquirer intends to acquire up to 3,75,300 (Three Lakhs Seventy-Five Thousand Three Hundred) Equity Shares, representing 25.02% of the voting share capital of the Target Company, at a price of Rs.28.00/- (Rupees Twenty-Eight only) per Equity Share, payable in cash under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Equity Shares and documents tendered in the Offer will be held

in trust by the Registrar to the Offer until the completion of this Offer formalities, and the public shareholders will not be able to trade such Equity Shares. Post completion of this Offer, the Acquirer will have significant equity ownership and effective management control over the Target Company pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations.

2. The Acquirer makes no assurance with respect to the market price of the Equity Shares during the Offer period and upon the completion of this Offer; and disclaims any responsibility with respect to any decision by the public shareholders on whether to participate or not to participate in this Offer. The Acquirer makes no assurance with respect to the financial performance of the Target Company;
3. The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement, or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
4. The Acquirer makes no assurance of market price of the Equity Shares of the Target Company during or after this Offer;

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

CURRENCY OF PRESENTATION

- In this Draft Letter of Offer, all references to “Rs.” or “Rupees” or “Re” or “Rupee” are references to the official currency of India;
- 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.

INDEX

| | |
|---|----|
| DEFINITIONS AND ABBREVIATIONS | 4 |
| 1. DISCLAIMER CLAUSE | 5 |
| 2. DETAILS OF THE OFFER | 5 |
| 3. BACKGROUND OF THE ACQUIRER | 9 |
| 4. BACKGROUND OF GAYATRI TISSUE & PAPERS LIMITED (“GTPL” or “TARGET COMPANY”) | 11 |
| 5. OFFER PRICE AND FINANCIAL ARRANGEMENTS | 14 |
| 6. TERMS AND CONDITIONS OF THE OFFER | 15 |
| 7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER | 17 |
| 8. ACCEPTANCE OF THE EQUITY SHARES | 18 |
| 9. PROCEDURE FOR TENDERING THE EQUITY SHARES IN CASE OF NON RECEIPT OF THE LETTER OF OFFER | 19 |
| 10. SETTLEMENT PROCESS | 19 |
| 11. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION | 19 |
| 12. NOTE ON TAXATION | 20 |
| 13. DOCUMENTS FOR INSPECTION | 21 |
| 14. DECLARATION BY THE ACQUIRER | 22 |

DEFINITIONS AND ABBREVIATIONS

| | |
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| Acquirer | VR Integrated Project Management Private Limited |
| Board | The Board of Directors of the Target Company |
| Book Value per Share | Net Worth/Number of shares |
| BSE | BSE Limited |
| Business Day | Business day means any day other than a Saturday, Sunday, or any day on which banks in India or SEBI is permitted to be closed |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| DLoO | Draft Letter of Offer dated Thursday, June 10, 2021 submitted to SEBI for its observations |
| DPS | Detailed Public Statement dated Saturday, June 05, 2021 which was published on Monday June 07, 2021 |
| Tendering Period | Friday, July 23, 2021 to Monday, August 05, 2021 |
| ECS | Electronic Clearing Service |
| Equity Shares | Equity Shares means the fully paid-up equity shares of the Target Company of face value of Rs.10.00/- (Rupees Ten only) each |
| Escrow Banker | ICICI Bank Limited |
| Paid-up equity and voting share capital | Rs.1,50,00,000.00/- (Rupees One Crore Fifty Lakhs Only) divided into 15,00,000 (Fifteen Lakhs) equity shares of face value of Rs.10.00/- (Rupees Ten Only) each |
| Identified Date | Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent |
| INR/ Rs. / Rupees | Indian Rupees |
| IFSC | Indian Financial System Code |
| LoO | Letter of Offer |
| Manager to the Offer | CapitalSquare Advisors Private Limited |
| NRI(s) | Non- Resident Indians |
| NSDL | National Securities Depository Limited |
| Offer Period | From Tuesday, June 01, 2021 (i.e., date of entering Memorandum of Understanding between Acquirer and Manager to the Offer) to Monday, August 23, 2021 (i.e., date of Payment Consideration) |
| Offer Price | Rs.28.00/- (Rupees Twenty- Eight Only) per Equity Share payable in cash |
| Offer/Open Offer | Cash Offer being made by the Acquirer to acquire up to 3,75,300 (Three Lakh Seventy-Five Thousand Three Hundred) Equity Shares, representing 25.02% of the Voting Share Capital at a price of Rs.28.00/- (Rupees Twenty-Eight Only) per Equity Share |
| PA | Public Announcement dated Tuesday, June 01, 2021 |
| PAT | Profit After Tax |

| | |
|---|--|
| Persons eligible to participate in this Offer | All owners (registered and unregistered) of Equity Shares of the Target Company except the Acquirer and parties to the Share Purchase Agreement |
| Public Shareholders | The equity shareholders of the Target Company excluding (i) the shareholders forming a part of the promoter/ promoter group of the Target Company; (ii) parties to the SPA (defined below); and (iii) any persons acting in concert or deemed to be acting in concert with the persons set out in (i) and (ii) |
| Registrar to the Offer | Venture Capital & Corporate Investments Pvt. Ltd |
| Return on Net Worth | Profit After Tax/Net Worth |
| Sale Shares | 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) equity shares of Rs.10.00/- each at a price of Rs.18.00/- (Rupees Eighteen Only) per equity share forming part of the SPA |
| SCRR | Securities Contract (Regulation) Rules, 1957, as amended |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and subsequent amendments thereof |
| SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof |
| Seller or Present Promoters | Tikkavarapu Indira Reddy |
| SPA/ Share Purchase Agreement | Share Purchase Agreement dated June 01, 2021 entered between the Acquirer and the Seller, being Tikkavarapu Indira Reddy |
| Target Company / GTPL | Gayatri Tissue & Papers Limited |
| Voting Share Capital | The fully diluted equity voting share capital of the Target Company as of the 10 th working day from the closure of the Tendering Period of this Offer |
| Working Day | Working Day has the same meaning as ascribed to it in the SEBI (SAST) Regulations |

1. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS 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. THIS 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 EQUITY SHAREHOLDERS OF THE GAYATRI TISSUE & PAPERS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR FOR THE TARGET COMPANY WHOSE EQUITY SHARES /CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL THE RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER CAPITALSQUARE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED THURSDAY, JUNE 10, 2021, TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.”

2. DETAILS OF THE OFFER

2.1. Background of the Offer

- 2.1.1. This Offer is a mandatory offer in compliance with Regulation 3(1) and Regulation 4 and other applicable provisions of the SEBI (SAST) Regulations pursuant to the execution of the Share Purchase Agreement to acquire the shares / voting rights accompanied with control of and over the Target Company;
- 2.1.2. This Open Offer is being made by the Acquirer in compliance with Regulation 3 (1) and Regulation 4 of the SEBI (SAST) Regulations, to the public shareholders of the Target Company, a company incorporated on January 07, 1987, under the provisions of the Companies Act, 1956, with the Registrar of Companies, Maharashtra and having its registered office situated at 16/37, No.5, Near Prabhodhan Krida Bhavan, Siddhartha Nagar, Goregoan (West), Mumbai – 400 104,

Maharashtra, India and having its corporate office situated at B-1, TSR Towers, 6-3-1090, Rajbhavan Road, Somajiguda Hyderabad-500 082, Telangana, India. This Offer has been triggered upon the execution of the Share Purchase Agreement dated June 01, 2021 entered by and between Tikkavarapu Indira Reddy (“**Seller**”) and VR Integrated Project Management Private Limited (“**Acquirer**”);

- 2.1.3. The prime object of this Offer is to acquire substantial acquisition of Equity Shares/ voting rights accompanied with the change in control and management of the Target Company;
- 2.1.4. There is no person acting in concert (“**PAC**”) with the Acquirer within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations;
- 2.1.5. The Acquirer is making an Open Offer to acquire up to 3,75,300 (Three Lakh Seventy-Five Thousand Three Hundred) Equity Shares representing 25.02% of the Voting Share Capital of the Target Company, at a price of Rs.28.00/- (Rupees Twenty-Eight only) per Equity Share (“**Offer Price**”) payable in cash, subject to the terms and conditions mentioned hereinafter;
- 2.1.6. The Acquirer has entered into a Share Purchase Agreement with the present Promoters of the Target Company viz. Tikkavarapau Indira Reddy (“**Seller**”) to acquire in aggregate 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) Equity Shares, representing 74.98% of the Voting Share Capital of the Target Company at a price of Rs.18.00/- per Equity Shares payable in cash (“**Negotiated Price**”) for a total consideration of Rs.2,02,44,600.00/- (Rupees Two Crores Two Lakhs Forty-Four Thousand Six Hundred Only).

The details of the Seller are as under:

| Sr. No. | Name and Address of the Seller | Nature | Part of the Promoter/ Promoter Group (Yes/No) | Shares Holding of the Seller | | | |
|--------------|--|------------|---|------------------------------|-------------------------|---------------------|-------------------------|
| | | | | Pre-Transaction | | Post Transactions | |
| | | | | No. of Equity Share | % to paid Equity Shares | No. of Equity Share | % to paid Equity Shares |
| 1. | Tikkavarapu Indira Reddy PAN: ABNPT7403L 6-3-249/5/A, Road No. 1, Banjara Hills, Hyderabad - 500 034, Telangana, India | Individual | Yes | 11,24,700 | 74.98 | Nil | Nil |
| TOTAL | | | | 11,24,700 | 74.98 | Nil | Nil |

- 2.1.7. Except as mentioned above 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) Equity Shares of the Target Company, which the Acquirer has proposed to acquire pursuant to the Share Purchase Agreement, the Acquirer has not acquired any Equity Shares/voting rights of the Target Company during the fifty-two (52) weeks period immediately preceding the date of the Public Announcement;
- 2.1.8. Subject to compliance with the Regulation 22(2) of the SEBI (SAST) Regulations, after completion of twenty-one (21) working days from the date of the Detailed Public Statement, the Equity Shares can be transferred to the demat account of the Acquirer.
- 2.1.9. The Manager to the Offer i.e., CapitalSquare Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of this Draft Letter of Offer. The Manager to the Offer further declared and undertakes, that they shall not deal in the Equity Shares of the Target Company on their own account during the Offer period;
- 2.1.10. This Offer is not a result of global acquisition resulting in indirect acquisition of the Equity Shares of the Target Company;
- 2.1.11. The salient features of the Share Purchase Agreement are as follows:
- The Seller holds 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) Equity shares of the Target Company aggregating to 74.98% of the Voting Share Capital of the Target Company;
 - The Seller has agreed to sell, and the Acquirer has agreed to acquire in aggregate 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) Equity shares (“**Sale Shares**”) representing 74.98% of the present paid up Equity and voting share capital of the Target Company at a price of Rs.18.00/- (Rupees Eighteen Only) per Equity Share for cash aggregating to Rs.2,02,44,600.00/- (Rupees Two Crores Two Lakhs Forty-Four Thousand Six Hundred Only) (“**Purchase Price**”);
 - The Sale Shares are free from all charges, encumbrances, pledge, liens, attachments, litigations, and are not subjects to any lock in period;

- d. The aggregate purchase consideration for the Sale Shares i.e., Rs.2,02,44,600.00/- (Rupees Two Crores Two Lakhs Forty-Four Thousand Six Hundred Only) shall be payable to the Seller in accordance with the terms and conditions mentioned in the Share Purchase Agreement;
 - e. The Seller shall sell, convey and transfer to the Acquirers and the Acquirers shall purchase, acquire and accept from the Sellers the above mentioned Sale Shares at and for the Purchase Price;
 - f. The Acquirer and the Seller agree to abide by its obligations as contained in the SEBI (SAST) Regulations;
 - g. That in case of non-compliance of any provisions of the SEBI (SAST) Regulations; the Share Purchase Agreement for such Sale Shares shall not be acted upon by the Seller or the Acquirer;
 - h. Subject to the deposit of 100% of the Open Offer consideration in the Bank Escrow Account being opened for the Open Offer under the SEBI (SAST) Regulations, assuming full acceptance, after completion of twenty-one (21) working days from the date of the Detailed Public Statement, the Equity Shares can be transferred to the demat account of the Acquirer;
- 2.1.12. The Acquirer has not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act, as amended or under any other Regulations made under the SEBI Act;
- 2.1.13. Apart from 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) Equity Shares which the Acquirer has proposed to acquire through the Share Purchase Agreement; the Acquirer does not hold any Equity Shares/voting rights of the Target Company; and hence the provisions of Chapter V of the SEBI (SAST) Regulations are not applicable to the Acquirer;
- 2.1.14. As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on this Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published;
- 2.1.15. No other persons/ individuals/ entities are acting in concert with the Acquirer for the purpose of this Offer in terms of Regulation 2(1)(q) of the SEBI (SAST) Regulations.

2.2. Details of the proposed Offer

- 2.2.1. The Public Announcement to the Public Shareholders of the Target Company was issued on Tuesday, June 01, 2021, by the Manager to the Offer, for and on behalf of the Acquirers. A copy of the said Public Announcement was filed with SEBI, BSE Limited, and the Target Company on Tuesday, June 01, 2021;
- 2.2.2. The Acquirer has made a Public Announcement on Tuesday, June 01, 2021 to SEBI, BSE, Target Company and Detailed Public Statement dated Saturday, June 05, 2021 which was published in the following newspapers on Monday, June 07, 2021 in accordance with the Regulation 14 (3) of the SEBI (SAST) Regulations:

| Publication | Language | Edition |
|--------------------|----------|----------------|
| Financial Express | English | All Editions |
| Jansatta (Hindi) | Hindi | All Editions |
| Mumbai Lakshadweep | Marathi | Mumbai Edition |

The Detailed Public Statement is also available on the website of SEBI at www.sebi.gov.in, website of BSE at www.bseindia.com and the website of Manager to the Offer www.capitalsquare.in.

- 2.2.3. The Acquirer proposes to acquire from the existing equity shareholders of the Target Company (except the parties to the SPA) 3,75,300 (Three Lakh Seventy-Five Thousand Three Hundred) Equity Shares, representing 25.02%[#] of total Voting Share Capital of the Target Company, at a price of Rs.28.00/- (Rupees Twenty-Eight only) per Equity Share payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement, and this Draft Letter of Offer;
#As per the SEBI (SAST) Regulations, the Open Offer under Regulations 3(1) & 4 is required to be given for at least 26% of the voting share capital of the Target Company. However, the shareholding of the Public Shareholders, as on date of the Public Announcement, is 25.02% and therefore the Offer Shares represent 25.02% of the voting share capital of the Target Company
- 2.2.4. The Target Company does not have any partly paid-up shares. There are no outstanding warrants or option or similar instrument, convertible into Equity Shares at a later stage. No Equity Shares are subject to any lock-in obligations;

- 2.2.5. The Acquirer will accept all the Equity Shares of the Target Company those that are tendered in valid form in terms of this Offer up to a maximum of (Three Lakh Seventy-Five Thousand Three Hundred) Equity Shares, representing 25.02% of the voting share capital of the Target Company.
- 2.2.6. Since the date of the Public Announcement to the date of this Draft Letter of Offer, the Acquirer has not acquired any Equity shares of the Target Company.
- 2.2.7. No competitive bid has been received as on date of this Draft Letter of Offer.
- 2.2.8. There is no differential pricing in this Open Offer.
- 2.2.9. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of the SEBI (SAST) Regulations and is not a competitive bid in terms of the Regulation 20 of the SEBI (SAST) Regulations.
- 2.2.10. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of Equity Shares of the Target Company.
- 2.2.11. The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 2.2.12. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed CapitalSquare Advisors Private Limited as the Manager to the Offer.
- 2.2.13. As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR as amended and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. In this regards, the Target Company shall endeavor to increase the public shareholding of the Target Company to 25% percent within a maximum period of 12 (Twelve) months from the date of fall, in the manner specified by Securities and Exchange Board of India, in compliance with Regulation 19A (2) of SCRR. Further, the Acquirers shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months have elapsed from the date of the completion of the offer period as per Regulation 7(5) of the SEBI (SAST) Regulations.

2.3. Object of the Offer

- 2.3.1. The prime object of this Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 2.3.2. The Acquirer proposes to continue the existing business of the Target Company and may diversify its business activities in future with prior approval of the shareholders. The main purpose of takeover is to expand the Company's business activities in the same/diversified line through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.
- 2.3.3. The Acquirer do not have any intention to dispose-off or otherwise encumber any material assets or investments of the Target Company, through sale, lease, encumbrance, reconstruction, restructuring or otherwise, other than (a) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business or financing requirements), or (b) as already agreed, disclosed and/or publicly announced by the Target Company, or (c) on account of regulatory approvals or conditions, or compliance with any law that is or becomes binding on or applicable to the operations of the Target Company.

If the Acquirer intends to alienate any material asset of the Target Company (other than as disclosed above) within a period of 2 (two) years from the date of completion of this Open Offer, a special resolution of the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with proviso to Regulation 25 (2) of the SEBI (SAST) Regulations, 2011 would be taken before undertaking any such alienation of any material assets.

Subsequent to the completion of the Open Offer, the Acquirer reserve the right to streamline/restructure the operations, assets, liabilities and/ or businesses of the Target Company through arrangement/reconstruction, restructuring, buybacks, merger, demerger and/ or sale of assets or undertakings, after completion of the Open Offer. The Acquirer may also consider disposal of or otherwise encumbering any assets or investments of the Target Company through sale, lease, reconstruction, restructuring and/ or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalising the assets, investments or liabilities of the Target Company, to improve operational efficiencies and for other commercial reasons. The board of directors of the Target Company will take decisions on these matters in accordance with

the requirements of the business of the Target Company in line with opportunities or changes in economic circumstances, from time to time and in accordance with and as permitted by applicable law.

2.3.4. This Open Offer is for acquisition of 25.02% of total Equity and voting share capital of the Target Company. After the completion of this Open Offer and pursuant to transfer of Equity shares so acquired under the Share Purchase Agreement, the Acquirer shall hold the majority of the Equity Shares.

3. BACKGROUND OF THE ACQUIRER

3.1. VR INTEGRATED PROJECT MANAGEMENT PRIVATE LIMITED (“Acquirer”):

3.1.1. The Acquirer, VR Integrated Project Management Private Limited, is a private limited company incorporated on February 08, 2021, under the Companies Act, 2013 bearing corporate identity number U74140KA2021PTC143952. There has been no change in the name of the Acquirer since its incorporation. The email address of the Acquirer is admin@vripm.com, md@vripm.com and contact number is +91 7075556647.

3.1.2. The registered office of the Acquirer is located at 1142, Atmosphere, 6th Main, Sector 7, HSR Layout, Bangalore – 560 102, Karnataka, India.

3.1.3. The shares of the Acquirer are not listed on any stock exchanges.

3.1.4. The issued and paid-up share capital of the Acquirer as on date of this Draft Letter of Offer is Rs.3,00,00,000/- (Rupees Three Crores Only) comprising of 30,00,000 (Thirty Lakhs) equity shares of Rs.10.00/- (Rupees Ten Only) each. Set out below is the shareholding pattern of the Acquirer:

| Name of the Shareholder | No. of equity shares held | % Of total issued shares |
|---|---------------------------|--------------------------|
| Nanchraiya Shiva Rama Krishna Pulakanam | 5,000 | 0.165% |
| Ratnakumari Pulakanam | 5,000 | 0.165% |
| V R Commodities Private Limited | 29,90,000 | 99.67% |

3.1.5. As on date of this Draft Letter of Offer, the details of the Board of Directors of the Acquirer are as follows:

| Name of the Director | Director Identification Number | Date of Appointment | Qualifications and Experience |
|---|--------------------------------|---------------------|--|
| Nanchraiya Shiva Rama Krishna Pulakanam | 08623181 | February 08, 2021 | Nanchraiya Shiva Rama Krishna Pulakanam, aged 38 years, holds a bachelor degree in Electronics and Telecommunication from Assumption University, Hua Mak, Thailand. He Started his journey in mining at Banjarmasin under PT RIM which was into mining activity at mine site PT Batu Gunung Mula (PT BGM) 64 Ha land as a contractor and learnt his basics of mining activity there in the field, From there he has taken up various projects in mines like PT KMJL Tamiang Layang (350Ha), PT SPM Senakin (3900Ha) Central Kalimantan, PT IMM Talenta (419Ha) South Kalimantan. With an experience of more than 10 years in mining and trading. |
| Ratnakumari Pulakanam | 09044817 | February 08, 2021 | Ratnakumari Pulakanam, aged 67 years of age is an undergraduate, having more than 30 years of experience in mining and trading. |

3.1.6. As on the date of this Draft Letter of Offer, Nanchraiya Shiva Rama Krishna Pulakanam is one of the director representing the Acquirer on the board of the Target Company.

3.1.7. The Acquirer is primarily engaged in the business of providing human resource management services, consulting services in the field of business outsourcing strategy, etc.

3.1.8. The key financial information of the Acquirer based on its unaudited standalone financial statement certified by M/s V V S & Co., Chartered Accountants for the period 08/02/2021 to 10/05/2021 is set out below:

Profit and Loss Statement

| Particulars | (Rs. In Lakhs) |
|------------------------|---|
| | 08/02/2021 to 10/05/2021 (Audited and Certified) |
| Income from Operations | Nil |

| Particulars | 08/02/2021 to 10/05/2021 |
|---|--------------------------|
| | (Audited and Certified) |
| Other Income | Nil |
| Total Income | Nil |
| Total Expenditure | Nil |
| Profit/ (Loss) before Exceptional and Extraordinary Item and Tax | Nil |
| Profit/ (Loss) before Extraordinary Item and Tax | Nil |
| Profit/ (Loss) before Tax | Nil |
| Less: Current Tax | Nil |
| Deferred Tax (Asset)/Liability | Nil |
| Profit/ (Loss) After tax | Nil |

Balance Sheet

(Rs. In Lakhs)

| Particulars | 08/02/2021 to 10/05/2021 |
|--|--------------------------|
| | (Audited and Certified) |
| (A) Sources of funds | |
| Paid up share capital | 300.00 |
| Reserves & Surplus (Excluding revaluation reserves) | Nil |
| Net Worth | 300.00 |
| Non-Current Liabilities | Nil |
| Other Current Liabilities | 5.50 |
| Total (A) | 305.50 |
| (B) Uses of funds | |
| Current Assets | |
| Cash and Bank balances | 280.00 |
| Loans and Advances | 20.00 |
| Preliminary & Pre- Operative Expenditure | 5.50 |
| Total (B) | 305.50 |

Other Financial Data

(Rs. In Lakhs)

| For the Year Ended | 08/02/2021 to 10/05/2021 |
|---------------------------------|--------------------------|
| | (Audited and Certified) |
| Dividend (%) | - |
| <u>Earnings Per Share (Rs.)</u> | |
| Basic | - |
| Diluted | - |
| Return on Net worth (%) | - |
| Book Value Per Share (Rs.) | 10.00 |

Note:

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

Return on Net Worth = Profit after Tax / Net Worth

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

Source: Audited Annual Reports/ Audited Financial Statements

Note: Since the Acquirer is incorporated on February 08, 2021, the audited financial details for the period of last three years is not applicable.

3.1.9. The Acquirer does not belong to any group.

3.1.10. Apart from 11,24,700 (Eleven Lakhs Twenty-Four Thousand Seven Hundred) Equity Shares which the Acquirer has proposed to acquire through the Share Purchase Agreement; the Acquirer does not hold any Equity Shares/voting rights of the Target Company; and hence the provisions of Chapter V of the SEBI (SAST) Regulations are not applicable to the Acquirer.

3.1.11. As on date of this Draft Letter of Offer, Nanchraiya Shiva Rama Krishna Pulakanam, one of the director of the Acquirer is also the director of the Target Company. Except this directorship and proposed acquisition as contemplated vide the Share Purchase Agreement; the Acquirer is not related with the Target Company in any manner. Further, the Acquirer is not forming part of the present Promoter group of the Target Company.

- 3.1.12. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- 3.1.13. The Acquirer has confirmed that they are not categorized as a ‘Wilful Defaulter’ in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations; and that they are not appearing in the wilful defaulters list of the Reserve Bank of India.
- 3.1.14. As on the date, the Acquirer has confirmed that they are not declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 3.1.15. There are no persons acting in concert in relation to the Offer within the meaning of 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 3.1.16. The Acquirer undertakes that they will not sell the Equity Shares of the Target Company, held, and acquired by them, if any, during the Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.

4. BACKGROUND OF GAYATRI TISSUE & PAPERS LIMITED (“GTPL” or “TARGET COMPANY”)

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

- 4.1. The Target Company was incorporated on January 07, 1987, under the provisions of The Companies Act, 1956 under the name and style ‘Jutex India Limited’ with the Registrar of Companies, Maharashtra. Subsequently, in the year of 1995, the name of the company was changed from ‘Jutex India Limited’ to ‘Gayatri Tissue & Papers Limited’ vide fresh certificate of incorporation dated October 27, 1995. The Corporate Identification Number of Target Company is L45100MH1987PLC042141.
- 4.2. The Target Company has its registered office situated at 16/137, No. 5, Near Prabodhan Krida Bhawan, Siddhartha Nagar, Goregaon (West), Mumbai – 400 104, Maharashtra, India, and Corporate Office at B-1, TSR Towers, 6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana, India.
- 4.3. As on date of this Draft Letter of Offer, the Authorized Share Capital of the Target Company is Rs.16,50,00,000.00/- (Rupees Sixteen Crores Fifty Lakhs Only) divided into 1,65,00,000 (One Crore Sixty-Five Lakh) Equity Shares. The issued, subscribed, and paid-up Equity Share capital of the Target Company is Rs.1,50,00,000.00/- (One Crore Fifty Lakh) consisting of 15,00,000 (Fifteen Lakh) Equity Shares.
- 4.4. As on date of this Draft Letter of Offer, the capital structure of the Target Company is as follows:

| Paid up Equity Shares of Target Company | No. of Equity Shares / Voting Rights | % of Equity Shares/ voting rights |
|--|---|--|
| Fully Paid-up Equity Shares | 15,00,000 Equity Shares | 100% |
| Partly Paid-up Equity Shares | Nil | Nil |
| Total Paid-up Equity Shares | 15,00,000 Equity Shares | 100% |
| Total voting rights in the Target Company | 15,00,000 Equity Shares | 100% |

- 4.5. As on date of this Draft Letter of Offer, the Target Company does not have any partly paid-up Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Equity Shares are subject to any lock in obligations.
- 4.6. The entire Voting Share Capital of the Target Company is listed at BSE Limited, Mumbai having ISIN INE661K01010. The Equity Shares of the Target Company are placed under Group ‘XT’ having a scrip code of “512479” & Scrip ID: GYTRIPA on the BSE. However, the trading in Equity Shares is under Graded Surveillance Measures (GSM): Stage 0. The equity shares of GTPL are not frequently traded on BSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations. The Target Company has already established connectivity with Central depositories Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL).
- 4.7. The Target Company is in compliance with the SEBI (LODR) Regulations, 2015 and as on date of this Draft Letter of Offer, no penal action has been taken by the stock exchange against the Target Company.
- 4.8. There has been no merger / demerger or spin off during the last 3 years.
- 4.9. The present Board of Directors of the Target Company are as follows:

| Sr. No. | Name | DIN | Designation | Date of Appointment |
|----------------|---------------------|------------|---------------------|----------------------------|
| 1. | Maruthibabu Ponnuru | 00016650 | Whole time Director | July 06, 1999 |

| Sr. No. | Name | DIN | Designation | Date of Appointment |
|---------|---|----------|--------------------------|---------------------|
| 2. | Thikkavarapu Indira Reddy | 00009906 | Chairperson and Director | July 28, 1995 |
| 3. | Nanchraiya Shiva Rama Krishna Pulakanam | 08623181 | Non-Executive Director | May 03, 2021 |
| 4. | Ramachandra Seshaprasad Chodavarapu | 08490735 | Independent Director | February 13, 2020 |
| 5. | Murali Vittala | 08688453 | Independent Director | February 13, 2020 |

4.10. Financial Information

The financial details of the Target Company as per the audited accounts for the three financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as follows:

Profit and Loss Statement

| Particulars | (Rs. in Lakhs) | | |
|--|------------------------|------------------------|------------------------|
| | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) | 31-Mar-19 (Audited) |
| Income from Operations | 34.79 | 81.85 | 241.00 |
| Other Income | 0.07 | 0.12 | Nil |
| Total Income | 34.86 | 81.97 | 241.00 |
| Total Expenditure | 31.54 | 79.91 | 211.45 |
| Profit/ (Loss) before Interest, Depreciation and Tax | 3.32 | 2.06 | 29.55 |
| Depreciation | Nil | Nil | Nil |
| Interest | Nil | Nil | Nil |
| Exceptional Items | Nil | Nil | Nil |
| Profit/ (Loss) before Tax | 3.32 | 2.06 | 29.55 |
| Less: Tax Expense | 0.86 | 0.54 | 7.61 |
| Profit/ (Loss) After tax | 2.46 | 1.52 | 21.94 |

Balance Sheet

| Particulars | (Rs. in Lakhs) | | |
|---|------------------------|------------------------|------------------------|
| | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) | 31-Mar-19 (Audited) |
| (A) Sources of funds | | | |
| Paid up share capital | 150.00 | 150.00 | 150.00 |
| Reserves & Surplus (excluding revaluation reserves) | 268.04 | 265.59 | 264.07 |
| Less: Miscellaneous Expenditure not written off | Nil | Nil | Nil |
| Net Worth | 418.04 | 415.59 | 414.07 |
| Non-Current Liabilities | Nil | Nil | Nil |
| Current Liabilities | 5.27 | 66.14 | 13.07 |
| Total (A) | 423.31 | 481.73 | 427.13 |
| (B) Uses of funds | | | |
| Net Fixed Assets | Nil | Nil | Nil |
| Investments | Nil | Nil | Nil |
| Other Non-Current Assets | 339.03 | 400.00 | Nil |
| Current Assets | 84.28 | 81.73 | 427.13 |
| Total (B) | 423.31 | 481.73 | 427.13 |

Other Financial Data

| For the Year Ended | 31-Mar-21 | 31-Mar-20 | 31-Mar-19 |
|---------------------------|-----------|-----------|-----------|
| | (Audited) | (Audited) | (Audited) |
| Dividend (%) | NA | NA | NA |
| Earnings Per Share (Rs) | 0.16 | 0.10 | 1.46 |
| Return on Net worth (%) | 0.59 | 0.37 | 5.30 |
| Book Value Per Share (Rs) | 27.87 | 27.71 | 27.60 |

Note:

- (1) Prepared as per Indian Accounting Standards (IndAS)
- (2) EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period
- (3) Return on Net Worth = Profit after Tax / Net Worth
- (4) Book Value per Share = Net Worth / No. of equity shares

(5) Source: Audited Annual Reports/ Audited Financial Statements/ Limited Review Report

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

| Shareholders' Category | Shareholding/voting rights prior to the SPA/ acquisition and Offer | | Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations | | Shares/voting rights to be acquired in Open Offer (assuming full acceptances) | | Shareholding /voting rights after Acquisition and Offer (A+B+C) | |
|---|--|---------------|--|----------------|---|------------------|---|------------|
| | (A) | | (B) | | (C) | | = (D) | |
| | No. of Equity shares | % | No. of Equity shares | % | No. of Equity Shares | % | No. of Equity Shares | % |
| 1. Promoters and Promoter Group | | | | | | | | |
| (a) Parties to the Agreement: | | | | | | | | |
| Tikkavarapu Indira Reddy | 11,24,700 | 74.98 | (11,24,700) | (74.98) | - | - | - | - |
| Total | 11,24,700 | 74.98 | (11,24,700) | (74.98) | - | - | - | - |
| (b) Promoters other than (a) above | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - |
| Total 1 (a+b) | 11,24,700 | 74.98 | (11,24,700) | (74.98) | - | - | - | - |
| 2. Acquirer | | | | | | | | |
| VR Integrated Project Management Private Limited | - | - | 11,24,700 | 74.98 | 3,75,300 | 25.02 | 15,00,000 | 100 |
| Total 2 | - | - | 11,24,700 | 74.98 | 3,75,300 | 25.02 | 15,00,000 | 100 |
| 3. Parties to Agreement other than 1(a) & 2 | - | - | - | - | - | - | - | - |
| 4. Public (other than Parties to Agreement and Acquirer) | | | | | | | | |
| a. FIs/MFs/FIIs/Banks/SFIs (Indicate names) | - | - | - | - | - | - | - | - |
| b. Others | - | - | - | - | - | - | - | - |
| c. Other than parties to SPA from Promoter and Promoter Group | - | - | - | - | - | - | - | - |
| d. Total No. of Shareholders in Public Category, i.e 205 | 3,75,300 | 25.02 | - | - | (3,75,300) | #(25.02) | - | - |
| Total (a+b+c+d) (4) | 3,75,300 | 25.02 | - | - | (3,75,300) | #(25.02) | - | - |
| GRAND TOTAL (1+2+3+4) | 15,00,000 | 100.00 | - | - | - | - | 15,00,000 | 100 |

Notes:

#As per the SEBI (SAST) Regulations, the open offer under Regulation 3 and Regulation 4 shall be for at least 26% of the total shares of the target company, as of 10th working day from the closure of the tendering period. However, the public shareholding of the Target Company is 25.02% as on date, and therefore, the Offer Shares represent 25.02% of the voting capital of the Target Company.

i. No Equity Shares are subject to lock in.

ii. The Acquirer has not acquired any Equity Shares from the date of the Public Announcement until the date of this Draft Letter of Offer.

iii. Upon completion of the Open Offer formalities, the Seller shall be de-notified as a promoter pursuant to Regulation 31(A)(10) of the SEBI (LODR) Regulations, and relinquish management control of the Target Company in favor of the Acquirer.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1 Justification of Offer Price:

5.1.1 The Equity Shares of the Target Company are listed at the BSE Limited (BSE) only. The shares are placed under Group 'XT' having a scrip code of "512479" & Scrip Id: GYTRIPA on the BSE.

5.1.2 The total trading turnover in the Equity Shares of the Target Company on the BSE based on trading volume during the twelve calendar months prior to the month of PA (June 01, 2020 to May 31, 2021) is as given below:

| Stock Exchange | Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA | Total No. of listed Equity Shares of the Target Company | Total Trading Turnover (as % of total Equity Shares Listed) |
|----------------|--|---|---|
| BSE | 129 | 15,00,000 | 0.01% |

5.1.3 Based on the above information, the Equity Shares of the Target Company are not frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.

5.1.4 The Offer Price has been determined considering the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

| Particulars | Price (In Rs. per Equity share) |
|---|---------------------------------|
| Negotiated Price under the Share Purchase Agreement | 18.00/- |
| The Volume Weighted Average Price paid or payable for acquisitions by the Acquirer during 52 weeks immediately preceding the date of the Public Announcement | NA |
| Highest price paid or payable for acquisitions by the Acquirer during 26 weeks immediately preceding the date of Public Announcement | NA |
| The Volume Weighted Average Market Price of Equity Shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period | NA |
| Other Financial Parameters as on March 31, 2021: | |
| NAV per Equity share | 27.87/- |
| Price Earning Capacity Value per Equity Share | NA |
| Market Based Value | NA |

CA V V Subrahmanyam, Membership No. 026946, Proprietor, M/s V V S & Co., Chartered Accountants, Firm Registration No. 021536S having its office at II-B, Kautilya, Amrutha Estates, Near Erramanzil Metro Station, Somajiguda, Hyderabad – 500 082, Telangana, India, Tel: +91 40 4346 1999, E-mail: venkat@icai.org vide valuation certificate dated June 01, 2021 has calculated the fair value of the Equity Shares of Target Company as Rs.27.87/- (Rupees Twenty Seven Thousand and Eighty-Seven Paise) per Equity Share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manger to the Offer, the Offer Price of Rs.28.00/- (Rupees Twenty-Eight Only) per Equity Share being the highest of the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations.

5.1.5 As on date there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirer shall comply with Regulation 18 and all other applicable provisions of the SEBI (SAST) Regulations.

5.1.6 If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working day before the date of commencement of the Tendering Period and would be notified to public shareholders.

5.1.7 If the Acquirer, acquires or agree to acquire any Equity Shares or Voting Rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8 (8) of SEBI (SAST) Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18 (4) and 18 (5) of the SEBI (SAST)

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

- 5.1.8 If the Acquirer, acquires Equity Shares of the Target Company during the period of 26 (Twenty-Six) weeks after the Tendering Period at a price higher than the Offer Price, the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all public shareholders whose Equity Shares have been accepted in this Offer within 60 (Sixty) days from the date of such acquisition. However, no such difference shall be paid if such acquisition is made under another Open Offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

5.2 Financial Arrangements

- 5.2.1 In terms of Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged. CA V V Subrahmanyam, Proprietor of V V S & Co., Chartered Accountants, (Membership No. 026946), Firm Registration No. 021536S, having its office at II-B, Kautilya, Amrutha Estates, Near Erramanzil Metro Station, Somajiguda, Hyderabad – 500082, India, Tel. No. 040-4361999; Email: venkat@icai.org have certified vide certificate dated June 01, 2021, that sufficient resources are available with the Acquirer for fulfilling the obligations under this ‘Offer’ in full.
- 5.2.2 The maximum consideration payable by the Acquirer to acquire 3,75,300 Equity Shares at the Offer Price of Rs.28.00/- (Rupees Twenty-Eight only) per Equity Share, assuming full acceptance of the Offer would be Rs.1,05,08,400/- (Rupees One Crore Five Lakhs Eight Thousand Four Hundred only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account under the name and style of “**GTPL - OPEN OFFER - ESCROW ACCOUNT**” with ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020, Maharashtra, India (“**Escrow Banker**”) and have deposited Rs.50,00,000/- (Rupees Fifty Lakhs only) being more than 25% of the total consideration payable in the Open Offer, assuming full acceptance.
- 5.2.3 The Manager to the Offer is authorized to operate the above-mentioned Escrow account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 5.2.4 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirer to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.
- 5.2.5 In case of upward revision of the Offer Price and/or the Offer Size, the Acquirer shall deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

6. TERMS AND CONDITIONS OF THE OFFER

- 6.1 The Letter of Offer will be mailed to all those public shareholders of the Target Company (except the Acquirer and the parties to the Share Purchase Agreement) whose name appear on the Register of Members and to the beneficial owners of the Equity Shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on Thursday, July 08, 2021 (“**Identified Date**”).
- 6.2 All owners of the Equity Shares registered or unregistered (except the Acquirer and the parties to the Share Purchase Agreement) who own the shares any time prior to the Closing of the Offer is eligible to participate in this Offer as per the Procedure set out in Para 7 below. Eligible persons can participate in this Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.
- 6.3 Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate the Offer in anyway.
- 6.4 Subject to the conditions governing this Offer, as mentioned in the Letter of Offer, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 6.5 In terms of the Regulation 18 (9) of the SEBI (SAST) Regulations, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.

6.6 **Locked-in Shares:**

There are no locked-in shares in GTPL.

6.7 **Eligibility for accepting the Offer**

- 6.7.1 The Letter of Offer shall be mailed to all Equity Shareholders/Beneficial Owners holding Equity Shares in dematerialized form (except the present promoter group shareholders and the Acquirer) whose names appear in register of Target Company as on Thursday, July 08, 2021, the Identified Date.
- 6.7.2 This Offer is also open to persons who owns the Equity Shares in Target Company but are not registered Public Shareholders as on the Identified date.
- 6.7.3 All Equity Shareholders/Beneficial Owners (except the present promoter group Shareholders, and the Acquirer) who own Equity Shares of Target Company any time before the closure of the Offer is eligible to participate in the Offer.
- 6.7.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, **Venture Capital & Corporate Investments Pvt. Ltd**, having office at 12-10-167, Bharat Nagar, Hyderabad – 500 018, Telangana, India **Tel No.:** 040 - 23818475/23818476/23868023, Fax No: 040 – 23868024, **E-mail-Id:** investor.relations@vccipl.com/pvsrinivas@vccipl.com; SEBI Registration No. INR000001203. The Contact Person is P V Srinivasa Rao from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays, and all public holidays), during the period the Offer is open.
- 6.7.5 The Public Announcement, the Detailed Public Statement, the Letter of Offer, and the Form of Acceptance will also be available on the website of SEBI at: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all the Public Shareholders including unregistered Public Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in the Offer.
- 6.7.6 Unregistered Public Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Public Shareholders.
- 6.7.7 The acceptance of this Offer by the equity Public Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.7.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/beneficial owner(s) of Target Company.
- 6.7.9 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms and Share Transfer Deed etc. during transit and the equity Public Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 6.7.10 The acceptance of the Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 6.7.11 The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.

6.8 **Statutory Approvals and conditions of the Offer:**

- 6.8.1 The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring Equity Shares tendered by non-resident shareholders, if any
- 6.8.2 To the best of knowledge and belief of the Acquirer, to the best of the knowledge of the Acquirer, there are no other statutory approvals and/ or consents required. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.
- 6.8.3 If Public Shareholders who are not persons resident in India (including non-resident Indians (“**NRI**”), overseas corporate bodies (“**OCB**”) and foreign institutional investors (“**FII**s”)/Foreign Portfolio Investors (“**FPI**s”)) had required any approvals (including from the Reserve Bank of India (“**RBI**”), or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for acquiring / holding the Equity Shares, in order to tender the Equity Shares held by them in this Open Offer, along with the other documents required to be furnished to tender shares in this Open Offer. In the event such approvals and relevant documents are not submitted, the Acquirer reserve their right to reject such Equity Shares tendered in this Open Offer

- 6.8.4 The Acquirer in terms of Regulation 23 of SEBI (SAST) Regulations will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared.
- 6.8.5 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 18 (11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 17 (9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.
- 6.8.6 Except as stated in clause 6.8.1, no approval is required from any bank or financial institutions for this Offer to the best of the knowledge of the Acquirer

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

| | |
|-----------------------|--|
| Name | Ashika Stock Broking Ltd |
| Address | 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai- 400 021 |
| Contact No. | +91 22 6611 1716 |
| Email Id | ankur@ashikagroup.com |
| Contact Person | Ankur Karani |

- 7.5 All the Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stockbrokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.
- 7.6 The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized Equity Shares only.
- 7.7 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
- 7.8 Public Shareholders can tender their Equity Shares only through a broker with whom the shareholder is registered as client (KYC Compliant).
- 7.9 **Procedure for Equity Shares held in physical form:**
- 7.9.1. In accordance with the Frequently Asked Questions issued by SEBI, “FAQs – Tendering of physical shares in buyback offer /open offer/exit offer/delisting” dated February 20, 2020 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 issued by SEBI Shareholders holding securities in physical form are allowed to tender shares in Open Offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.
- 7.9.2. Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer shall approach Selling Broker. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- 7.9.3. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein the along with the complete set of documents for verification procedures to be carried out (a) original share certificate(s), (b) valid share transfer

form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company, (c) self-attested copy of the shareholder's PAN Card, and (d) TRS, any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscripted as "**GTPL Open Offer**". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

- 7.9.4. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- 7.9.5. Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- 7.9.6. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 7.9.7. Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
- a. Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
 - b. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
 - c. No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance.

7.10 Procedure for Equity Shares held in Demat Form:

- 7.10.1 The equity Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Equity Shares they wish to tender in Open Offer.
- 7.10.2 The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry.
- 7.10.3 For Custodian Participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 7.10.4 The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.
- 7.10.5 Upon placing the bid, the seller member(s) shall provide Transaction Registration slip ("**TRS**") generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Equity Shares tendered etc.
- 7.10.6 The equity Public Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

8. ACCEPTANCE OF THE EQUITY SHARES

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

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

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

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

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

9.3. The Letter of Offer along with acceptance form will be dispatched to all the eligible Public Shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI www.sebi.gov.in 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.

9.4. The Letter of Offer along with the Form of Acceptance would also be available at website of SEBI at www.sebi.gov.in and the Public Shareholders can also apply by downloading such forms from the said website.

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

10. SETTLEMENT PROCESS

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

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

10.3. The direct credit of Equity Shares shall be given to the demat accounts of the Acquirer indicated by the Acquirer's Buying Broker. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

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

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

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

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

11. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION

11.1. For Equity Shareholders holding Equity Shares in demat

11.1.1. The settlements of fund obligation for demat shares shall be affected by clearing corporation. For the Equity Shares accepted under this Open Offer, the payment will be made by the Clearing Corporation to the Public Shareholders directly to their bank account.

- 11.1.2. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under this Open Offer, the Public Shareholder will receive funds payout in their settlement bank account.
- 11.1.3. The funds received from Buyer Broker by the Clearing Corporation will be released directly, to the Public Shareholder.
- 11.1.4. Public Shareholders who intend to participate in this Offer should consult their respective Seller Broker for payment to them of any cost, charges, and expenses (including brokerage) that may be levied by the Seller Broker upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 11.1.5. In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirer pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

12. NOTE ON TAXATION

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e., income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "Situs" of such shares. "Situs" of the shares is generally where a company is "incorporated". Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ("IT Act").

Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e., stock-in-trade).

The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates.

Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year.

The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.

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

- i. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the capital gains tax would be calculated on gains exceeding INR 100,000 (Indian Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
- ii. As per section 111A of the Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
- iii. Any applicable surcharge and education cess would be in addition to above applicable rates.

- iv. In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, in case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealers/ tax advisors appropriately.

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

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

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

13. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, CapitalSquare Advisors Private Limited 208, 2nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai 400 093, Maharashtra, India on any working day between 10.00 a.m. and 5.00 p.m. during the period the Offer is open i.e., from Friday, July 23, 2021 to Thursday, August 05, 2021.

- i) Memorandum and Articles of Association and Certificate of Incorporation of the Target Company.
- ii) Memorandum of Understanding between Manager to Offer and the Acquirer.
- iii) Copy of Agreement between the Registrar to the Offer and the Acquirer.
- iv) Certificate dated June 01, 2021 from CA V V Subrahmanyam, Proprietor of V V S & Co., Chartered Accountants, (Membership No. 026946), Firm Registration No. 021536S, having its office at II-B, Kautilya, Amrutha Estates, Near Erramanzil Metro Station, Somajiguda, Hyderabad – 500082, India, Tel. No. 040-4361999; Email: venkat@icai.org have certified vide certificate dated June 01, 2021, that sufficient resources are available with the Acquirer for fulfilling the obligations under this 'Offer' in full.
- v) CA V V Subrahmanyam, Membership No. 026946, Proprietor, M/s V V S & Co., Chartered Accountants, Firm Registration No. 021536S having its office at II-B, Kautilya, Amrutha Estates, Near Erramanzil Metro Station, Somajiguda, Hyderabad – 500 082, Telangana, India, Tel: +91 40 4346 1999, E-mail: venkat@icai.org vide valuation certificate dated June 01, 2021 has calculated the fair value of the Equity Shares of Target Company.
- vi) Audited Financial Statement for the Financial Years ending March 31, 2021, March 31, 2020 and March 31, 2019 of the Target Company.
- vii) Bank Statement received from, ICICI Bank Limited for required amount kept in the escrow account and marked lien in favour of Manager to Offer.
- viii) The copy of Share Purchase Agreement dated June 01, 2021 between the Seller and the Acquirer, which triggered the Open Offer.
- ix) Copy of the Public Announcement dated Tuesday, June 01, 2021 and published copy of the Detailed Public Statement dated July 07, 2021.
- x) Copy of the recommendations dated [●] made by the Committee of Independent Directors of the Target Company.

xi) Copy of SEBI Observation letter no. [●] dated [●].

xii) Escrow Agreement between Acquirer, ICICI Bank Limited and Manager to the Offer.

14. DECLARATION BY THE ACQUIRER

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

ON BEHALF OF THE ACQUIRER:

Sd/-

VR Integrated Project Management Private Limited

Place: Bangalore

Date: Thursday, June 10, 2021