

December 19, 2024

To,  
Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001

BSE Scrip Code: **531253**

Dear Sir/Madam,

**Sub: Open Offer by Pioneer Jellice India Private Limited (“Acquirer 1”) and Ashok Matches and Timber Industries Private Limited (“Acquirer 2”) (Collectively referred to as ‘Acquirers’) to acquire upto 18,43,998 Equity shares of Rs. 10/- each for cash at a price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share aggregating upto ₹ 75,40,10,782.20/- (Rupees Seventy Five Crores Forty Lakhs Ten Thousands Seven Hundreds Eighty Two and Paise Twenty Only), to the Public Shareholders of India Gelatine & Chemicals Limited (“Target Company”) Pursuant to and in Compliance with the Requirements of The Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“SEBI (SAST) Regulations, 2011”) (“Offer” Or “Open Offer”).**

We have been appointed as ‘Manager’ to the captioned Open Offer by the Acquirers in terms of regulation 12(1) of the SEBI (SAST) Regulations, 2011. In this regard, pursuant to regulation 14(4) of the SEBI (SAST) Regulations, we are enclosing the following for your kind reference and records:-

1. Soft copy of Draft Letter of Offer dated **December 19, 2024** (“DLOF”).

We request you to kindly consider the attachments as good compliance and disseminate it on your website.

In case of any clarification required, please contact the person as mentioned below:

Contact Person	Designation	Contact Number	E-mail Id
Saurabh Gaikwad	Manager	+91 2249730394	<a href="mailto:saurabh@saffronadvisor.com">saurabh@saffronadvisor.com</a>
Shruti Tiwari	Assistant Manager		<a href="mailto:shruti@saffronadvisor.com">shruti@saffronadvisor.com</a>

For Saffron Capital Advisors Private Limited

*S.V. Gaikwad*  


Saurabh Gaikwad  
Manager  
Equity Capital Market

**DRAFT LETTER OF OFFER (“DLOF”)****THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Draft Letter of Offer is being sent to you as a Public Shareholder (*as defined below*) of India Gelatine and Chemicals Limited (“**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stockbroker or an investment consultant or the Manager to the Offer or the Registrar to the Offer (*as defined below*). In the event you have recently sold your Equity Shares (*as defined below*) in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement to the purchaser of the Equity Shares or the member of the stock exchange through whom the said sale was effected.

**OPEN OFFER (“OPEN OFFER”/ “OFFER”) BY**

**Pioneer Jellice India Private Limited (“Acquirer 1”) having**

**Registered Office at:** 23, Vallabhai Road, Chokkikulam, Madurai – 625002, Tamil Nadu, India;

**Tel:** + 91 452 2534099; **Email:** [pjimdu@pioneerjellice.com](mailto:pjimdu@pioneerjellice.com); **Corporate Identification Number:** U24295TN1991PTC060630  
**and**

**Ashok Matches and Timber Industries Private Limited (“Acquirer 2”) having**

**Registered Office at:** Boopathy Building, 17-A, Virudhunagar Road, Sivakasi - 626123. Tamil Nadu – India;

**Tel:** + 91 4562 234000; **Email:** [amti@pioneerasia.com](mailto:amti@pioneerasia.com); **Corporate Identification Number:** U24291TN2000PTC045347  
(Acquirer 1, Acquirer 2 hereinafter collectively referred to as “Acquirers”)

**To the Eligible Shareholder(s) of**

**India Gelatine and Chemicals Limited (“Target Company”)**

**Registered Office:** 703/704, Shilp, 7<sup>th</sup> Floor, Near Municipal Market Sheth C.G. Road, Navrangpura, Ahmedabad - 380009, Gujarat, India,

**Tel:** +91-079-26466737; **Email:** [igcl@indiagelatine.com](mailto:igcl@indiagelatine.com); **Website:** [www.indiagelatine.com](http://www.indiagelatine.com);

**Corporate Identification Number:** L99999GJ1973PLC002260;

to acquire up to **18,43,998** (Eighteen Lakh Forty Three Thousand Nine Hundred and Ninety Eight) fully paid Equity Shares of face value of ₹ 10/- each (“**Offer Shares**”) representing **26%** (Twenty Six percent) of the Total Voting Share Capital of the Target Company on a fully diluted basis, as of the 10<sup>th</sup> (tenth) working day from the closure of the Tendering Period of the open offer, for cash at a price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per equity share (“**Offer Price**”).

**Please Note:**

- This Open Offer (*as defined below*) is being made by the Acquirers to the Public Shareholders of the Target Company, pursuant to the SPA (*as defined below*) in accordance with Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**SEBI (SAST) Regulations, 2011**”).
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- As per the Information available with the Acquirers and the Target Company, there has been no competing offer as on date of this Draft Letter of Offer. If there is a competing offer, the public offer under all subsisting bids shall open and close on the same date.**
- As on the date of this Draft Letter of Offer, there are no statutory approval(s) required by the Acquirers to complete the Underlying Transaction (*as defined below*) and this Open Offer. In case any statutory approvals are required or become applicable at a later date before the closure of the Tendering Period, this Open Offer shall be subject to the receipt of such statutory approvals.
- In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event that, for reasons outside the reasonable control of the Acquirers, any statutory approvals required are not received or refused, then the Acquirers shall have the right to withdraw the Open Offer. In the event of such withdrawal of the Open Offer, the Acquirers, through the Manager to the Offer, shall, within 2 (two) working days of such withdrawal, make an announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for the withdrawal in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011.
- Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- In the event that the number of Equity Shares validly tendered by the Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager to the Offer.
- The Acquirers reserves the right to revise the Offer Price and/or the Offer Size upwards at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period (as defined below) in accordance with Regulation 18(4) of the SEBI SAST Regulations, 2011. In the event of acquisition of the Equity Shares by the Acquirers during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI SAST Regulations, 2011. In the event of any revision of the Offer Price and/or the Offer Size, the Acquirers shall: (i) make a corresponding increase to the escrow amount, (ii) make an announcement in the same newspapers in which the Detailed Public Statement was published, and (iii) simultaneously notify the Stock Exchanges (as defined below), SEBI (as defined below) and the Target Company at its registered office. Such revision would be done in compliance with the requirements prescribed under the SEBI (SAST) Regulations, 2011.
- A Copy of the Public Announcement (“**PA**”) and the Detailed Public Statement (“**DPS**”) are available on the website of Securities and Exchange Board of India (“**SEBI**”) ([www.sebi.gov.in](http://www.sebi.gov.in)), and a copy of this Draft Letter of Offer (“**DLOF**”) and Letter of Offer (“**LOF**”) (including the Form of Acceptance cum acknowledgement) will also be available on the website of SEBI at ([www.sebi.gov.in](http://www.sebi.gov.in)).

All future correspondence, if any, should be addressed to the Manager to the Offer/ Registrar to the Offer at the address mentioned below:

<b>MANAGER TO THE OFFER</b>	<b>REGISTRAR TO THE OFFER</b>
 <p><b>Saffron Capital Advisors Private Limited</b> 605, Sixth Floor, Centre Point, J.B. Nagar, Andheri (East), Mumbai - 400 059, <b>Tel. No.:</b> +91 22 49730394; <b>Email id:</b> <a href="mailto:openoffers@saffronadvisor.com">openoffers@saffronadvisor.com</a>; <b>Website:</b> <a href="http://www.saffronadvisor.com">www.saffronadvisor.com</a>; <b>Investor grievance id:</b> <a href="mailto:investorgrievance@saffronadvisor.com">investorgrievance@saffronadvisor.com</a>; <b>SEBI Registration Number:</b> INM000011211; <b>Validity:</b> Permanent <b>Contact Person:</b> Saurabh Gaikwad/ Shruti Tiwari</p>	 <p><b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. <b>Tel. No.:</b> +91 810 811 4949; <b>Fax:</b> +91 22 49186060 <b>Investor grievance id:</b> <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> <b>Email id:</b> <a href="mailto:indiagelatine.offer@linkintime.co.in">indiagelatine.offer@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>SEBI Registration Number:</b> INR000004058; <b>Validity:</b> Permanent <b>Contact Person:</b> Ms. Pradnya Karanjekar</p>
<b>OFFER OPEN ON:</b> Tuesday, January 28, 2025	<b>OFFER CLOSES ON:</b> Monday, February 10, 2025

**TENTATIVE SCHEDULE OF MAJOR ACTIVITIES OF OPEN OFFER**

<b>Sr. No</b>	<b>Activity</b>	<b>Schedule of Activities Day and Date<sup>(1)</sup></b>
1	Public Announcement (PA)	Thursday, December 05, 2024
2	Publication of DPS in the newspapers	Thursday, December 12, 2024
3	Last date for filing of draft letter of offer with SEBI	Thursday, December 19, 2024
4	Last date for public announcement of competing offer(s)	Friday, January 03, 2025
5	Last date for receipt of comments from SEBI on Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Open Offer)	Friday, January 10, 2025
6	<b>Identified Date<sup>(2)</sup></b>	Tuesday, January 14, 2025
7	Last date by which the Letter of Offer to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Tuesday, January 21, 2025
8	Last date for upward revision of the Offer Price and/or Offer Size	Friday, January 24, 2025
9	Last Date by which the committee of the independent directors of the Target Company is required to publish its recommendation to the Public Shareholders for this Open Offer	Friday, January 24, 2025
10	Date of publication of Open Offer Opening Public Announcement in the newspapers in which the DPS has been published	Monday, January 27, 2025
11	Date of commencement of the Tendering Period (“ <b>Offer Opening Date</b> ”)	Tuesday, January 28, 2025
12	Date of closure of the Tendering Period (“ <b>Offer Closing Date</b> ”)	Monday, February 10, 2025
13	Last date of communicating the rejection/acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders of the Target Company	Tuesday, February 25, 2025
14	Last date for publication of Post Open Offer Public Announcement in the newspapers in which the DPS has been published	Wednesday, March 05, 2025

**Notes:**

- The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations, 2011) and are subject to receipt of statutory/regulatory approvals and may have to be revised accordingly. To clarify, the actions set out above may be completed prior to their corresponding dates subject to compliance with the SEBI (SAST) Regulations 2011.*
- Identified Date is only for the purpose of determining the Equity Shareholders of the Target Company as on such date to whom the Letter of Offer would be sent by email. It is clarified that all the equity shareholders holding Equity Shares of the Target Company (registered or unregistered) (except the Acquirers, the Promoters, the parties to the Share Purchase Agreement and any person deemed to be acting in concert with them) are eligible to participate in this Offer any time before the closure of this Offer.*

## RISK FACTORS

### I. RISKS RELATING TO THE UNDERLYING TRANSACTION AND OPEN OFFER

- This Open Offer is made under the SEBI (SAST) Regulations, 2011 to acquire up to 18,43,998 (Eighteen Lakh Forty Three Thousand Nine Hundred and Ninety Eight) Equity Shares representing 26% (Twenty Six per cent) of the Total Voting Share Capital of the Target Company from the Public shareholders.
- In accordance with the SPA (as defined below), the acquisition of the Sale Shares (as defined below) shall be completed upon the fulfillment of conditions agreed between the Acquirers and the Sellers. In terms of Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event that the approvals specified in paragraph VIII (B) (Statutory and Other Approvals) of this DLOF or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirers, then the Acquirers shall have the right to withdraw the Open Offer. The following conditions under which the Acquirers can withdraw the Open Offer, as provided in Regulation 23(1) of the SEBI (SAST) Regulations, 2011 are:
  - (i) statutory approvals required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the letter of offer;
  - (ii) the Acquirer(s), being a natural person, has died;
  - (iii) any condition stipulated in the agreement for acquisition attracting the obligation to make the open offer is not met for reasons outside the reasonable control of the acquirers, and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the letter of offer, provided that an acquirer shall not withdraw an open offer pursuant to a public announcement made under clause (g) of sub-regulation (2) of regulation 13, even if the proposed acquisition through the preferential issue is not successful.; or
  - (iv) such circumstances as in the opinion of the Board, merit withdrawal.

In the event of such a withdrawal of the Open Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will be sent to BSE, SEBI and the Target Company at its registered office.

- In case Equity Shares tendered by the Public Shareholders under this Open Offer is more than the Offer Size, acceptance would be determined on a proportionate basis, subject to acquisition of a maximum of 18,43,998 (Eighteen Lakh Forty Three Thousand Nine Hundred and Ninety Eight) Equity Shares and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted. The unaccepted Equity Shares will be returned to the Public Shareholders in accordance with the schedule of activities for the Open Offer.
- As of the date of this Draft Letter of Offer, there are no statutory or other approvals required by the Acquirers to complete the Underlying Transaction and this Open Offer, other than as mentioned in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF. If there is a delay in receipt of any applicable statutory or other approvals, then the Open Offer process may be delayed beyond the dates indicated in the tentative schedule of major activities of the Open Offer disclosed in this DLOF (on page number 2). In case the Equity Shares are tendered in the Open Offer and a delay is caused due to delay in receipt of any applicable statutory or other approvals, the payment of consideration to Public Shareholders whose Equity Shares have been accepted under the Open Offer as well as return of Equity Shares not accepted by the Acquirers may be delayed.
- Where the statutory or regulatory approvals extend to some but not all the public shareholders, the Acquirers shall have the option to make payment of the consideration to such public shareholders in respect of whom no statutory or regulatory approvals are required in order to complete this Offer in respect of such public shareholders. Further, if any delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations, 2011 will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- In case of delay/non-receipt of any statutory or other approvals referred to in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF, SEBI may, if satisfied that non-receipt of the requisite approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approval(s), grant an extension of time for the purpose of

completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation 18(11) or Regulation 18(11A) of the SEBI (SAST) Regulations, 2011.

- The Acquirers will not proceed with the Open Offer, in terms of Regulation 23 of SEBI (SAST) Regulations, 2011, in the event statutory or other approvals in relation to the acquisition of the Offer Shares (as mentioned in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF) are finally refused for reasons outside the reasonable control of the Acquirers. In the event of such a withdrawal of the Open Offer, the Acquirers (through the Manager to the Offer) shall make an announcement of such withdrawal within 2 (two) Working Days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, 2011.
- The Equity Shares once tendered in the Open Offer cannot be withdrawn by the Public Shareholders, even in the event of a delay in the acceptance of Equity Shares under the Open Offer and/or the payment of consideration. A lien shall be marked against the Equity Shares tendered in the Offer by the Public Shareholders until the completion of the formalities of this Offer and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares during such period, even if the acceptance of the Equity Shares in this Offer and/ or payment of consideration are delayed. During such a period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. Neither the Acquirers nor the Manager to the Offer make any assurance with respect to the market price of the Equity Shares and disclaim any responsibility with respect to any decision by any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding participation in this Open Offer.
- All Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals/consents required, if any, to tender the Offer Shares held by them (including without limitation, the approval from the RBI), in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including erstwhile overseas corporate bodies, foreign institutional investors /foreign portfolio investors and non-resident Indians) had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Offer Shares. The Shareholders should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
- The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement, Draft Letter of Offer, Letter of Offer or in the pre and post offer advertisements or any material issued by or at the instance of the Acquirers or the Manager to the Offer in relation to the Offer and anyone placing reliance on any other source of information (not released by the Acquirers or the Manager to the Offer) would be doing so at his/her/their own risk.
- Eligible shareholders should note that the shareholders who tender the equity shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the Tendering Period even if the acceptance of the equity shares in this Offer and dispatch of consideration are delayed.
- This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The Recipients of this draft letter of offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

- The Eligible Shareholders are advised to consult the stockbroker, investment consultants, and legal, financial, tax, or other advisors and consultants of their choosing, for assessing further risks with respect to their participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirers. The Acquirers or the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this DLOF, and all shareholders should independently consult their respective tax advisors.
- None of the Acquirers, the Manager or the Registrar to the Offer accept any responsibility for any loss of documents during transit (including but not limited to Open Offer acceptance forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
- This Offer is subject to completion risks as would be applicable to similar transactions.

## II. RISKS RELATING TO ACQUIRERS

- The Acquirers make no assurance with respect to the future performance of the Target Company or the impact on the employees of the Target Company. The Public Shareholders should not be guided by the past performance of the Target Company and/or the Acquirers, when arriving at their decision to participate in the Open Offer. The Acquirers disclaim any responsibility with respect to any decision of Public Shareholders on whether to participate in the Open Offer or not.
- The Acquirers make no assurance with respect to Acquirers' investment/divestment decisions relating to their proposed shareholding in the Target Company.
- The Acquirers cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and the Acquirers expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any eligible shareholder on whether to participate or not to participate in the Offer.
- For the purpose of disclosures in the DLOF, all information relating to the Target Company has been obtained from publicly available sources or from the Target Company. The accuracy of such details of the Target Company has not been independently verified by the Acquirers and the Manager to the Offer.
- As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations, 2015**”) read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended (“**SCRR**”), the Target Company is required to maintain at least 25% (twenty five percent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of this Open Offer, the Underlying Transaction and the bulk deal transaction (as defined below), the public shareholding in the Target Company will fall below the Minimum Public Shareholding (“**MPS**”) requirement as per Rule 19A of SCRR read with SEBI (LODR) Regulations, 2015 and the Acquirers will ensure that the Target Company satisfies the Minimum Public Shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time, and in a manner acceptable to the Acquirers.
- Pioneer Jellice India Private Limited (“Acquirer 1” or “Applicant”) had filed a compounding application dated May 24, 2024, with the Reserve Bank of India for compounding of contravention of the provisions of the Foreign Exchange Management Act, 1999 (FEMA) and the regulations issued thereunder. The contraventions sought to be compounded pertain to the applicant for: i) undertaking partial disinvestment by way of transferring its stake in the FE without obtaining fair valuation, based on audited financial statements, which is in contravention of Regulation 16(1)(iii) of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, dated July 7, 2004, and as amended from time to time, and ii) repatriating the shortfall amount of disinvestment proceeds with delay, which is in contravention of Regulation 16(2) of FEMA 120/RB-2004, dated July 7, 2004, (hereinafter referred to as “FEMA 120”) as amended from time to time.  
After considering the submissions made by the applicant in the compounding application and the overall facts of the case, the compounding authority admitted contravention committed by the applicant and considered Rs. 3,00,000/- (Rupees Three Lakhs Only) as the compounding payment towards the said contraventions as mentioned above vide their order CA No.6538/2024 dated 29th October 2024. The said compounding fee was paid on 30th October 2024, and RBI had issued a certificate on 21st November 2024, certifying the payment made by the applicant in compliance with the above said compounding order.

*The risk factors set forth above are limited to the Offer and are not intended to cover a complete analysis of all risks perceived in relation to the Offer or in association with the Acquirers but are only indicative and not exhaustive. The risk factors do not relate to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation in the Offer by an eligible shareholder. The Eligible Shareholders are advised to consult their stockbroker, or tax advisor or investment consultant, if any, for further risks with respect to their participation in the Offer.*

#### **NOTICE TO SHAREHOLDERS IN OTHER COUNTRIES**

This DLOF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions. The Open Offer described in this DLOF is not being made to, nor will tender of shares be accepted from or on behalf of Public Shareholders in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

#### **NOTICE TO SHAREHOLDERS IN UNITED STATES**

In addition to the above, please note that the Open Offer is being made for acquisition of securities of an Indian company and Public Shareholders in the U.S. should be aware that this DLOF and any other documents relating to the Open Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the Offer timetable and timing of payments, all of which differ from those in the U.S. Any financial information included in this DLOF or in any other documents relating to the Open Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

#### **CURRENCY OF PRESENTATION**

In this DLOF, all references to “Rupees” or “₹” are references to the Indian Rupee(s) (“₹”). In this DLOF, any discrepancy in figures as a result of multiplication or totaling is due to rounding off.

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## I. KEY DEFINITIONS

<b>Acquirer 1</b>	Pioneer Jellice India Private Limited having registered office at 23, Vallabhai Road, Chokkikulam Madurai – 625 002, Tamil Nadu, India
<b>Acquirer 2</b>	Ashok Matches and Timber Industries Private Limited having registered office at Boopathy Building, 17-A, Virudhunagar Road, Sivakasi - 626 123, Tamil Nadu, India
<b>Acquirers</b>	Acquirer 1 and Acquirer 2 collectively referred to as Acquirers
<b>Board of Directors</b>	Board of Directors of the Target company
<b>BSE</b>	BSE Limited
<b>Bulk deal transaction</b>	Narmada Gelatines Limited (“NGL”), a BSE Listed entity (the acquirers are the present promoters jointly holding 75% (Seventy Five Percent) of the paid up capital of NGL) has purchased through a bulk deal on December 05, 2024, on BSE Limited 10,03,000 (ten lakh three thousand) Equity shares representing 14.14% (Fourteen point one four percent) of the Voting Share Capital of the Target Company at a rate of ₹ 408.8637/-
<b>Buying Broker</b>	Stock broker appointed by Acquirers for the purpose of this Open Offer i.e. Choice Equity Broking Private Limited
<b>CDSL</b>	Central Depository Services (India) Limited
<b>CIN</b>	Corporate Identification Number
<b>Companies Act</b>	The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) as amended, substituted or replaced from time to time.
<b>Depositories</b>	NSDL and CDSL
<b>Deemed Persons acting in concert /Deemed PAC</b>	No person is acting in concert with the Acquirers for the purposes of this Open Offer. While persons may be deemed to be acting in concert with the Acquirers in terms of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations, 2011 (‘Deemed PACs’), however, such Deemed PACs are not acting in concert with the Acquirers for the purposes of this Open Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
<b>Designated Stock Exchange</b>	BSE Limited
<b>Detailed Public Statement/ DPS</b>	Detailed Public Statement dated December 11, 2024, issued by the Manager to the Offer, on behalf of the Acquirers, in relation to the Offer and published in all the editions of Financial Express (English), Janasatta (Hindi), Financial Express (Gujarati) (Ahmedabad edition where registered office of the Target Company is situated) and Navshakti (Marathi) (Mumbai Edition place where the Stock Exchange at which the Equity Shares of the Target Company are listed) on December 12, 2024, in accordance with the Regulations 3(1) and 4 read with Regulations 13(4), 14 and 15(2) and other applicable regulations of the SEBI (SAST) Regulations, 2011.
<b>DIN</b>	Director Identification Number
<b>DP</b>	Depository participant
<b>DLOF/ Draft Letter of Offer</b>	This Draft Letter of Offer dated December 19, 2024
<b>Eligible Shareholders / Public Shareholders</b>	shall mean all the equity shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, except the Acquirers, other member forming part of the Promoter and Promoter Group who are not parties to the Share Purchase Agreement, the parties to the Share Purchase Agreement and any person deemed to be acting in concert with them, pursuant to and in compliance with the provisions of regulation 7(6) of the SEBI (SAST) Regulations, 2011
<b>EPS</b>	Earnings Per Share calculated as profit after tax divided by number of equity shares issued
<b>Equity Share(s)/ Share(s)</b>	The fully paid-up equity share(s) of the Target Company of face value of ₹ 10/- (Rupees Ten only) per equity share
<b>Equity Share Capital/Voting Share Capital</b>	The Issued, Subscribed and Paid-up share capital of the Target Company as on the date of this DLOF is ₹ 7,09,23,000 (Rupees Seven Crore Nine Lakh Twenty Three Thousand only) comprising of 70,92,300 (Seventy Lakh Ninety Two Thousand Three Hundred) equity shares of face value of ₹ 10 each.
<b>Escrow Agreement</b>	Escrow Agreement dated December 05, 2024, entered between the Acquirers, Escrow Agent and Manager to the Offer
<b>Escrow Bank / Escrow Agent</b>	ICICI Bank Limited

<b>FEMA</b>	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
<b>FII(s)</b>	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, 1961 which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors
<b>Financial Year</b>	has the same meaning as ascribed to it in the SEBI (SAST) Regulations, 2011
<b>Identified Date</b>	Tuesday, January 14, 2025, i.e., the date falling on the 10 <sup>th</sup> (tenth) working day prior to the commencement of the Tendering Period, for the purposes of determining the public shareholders to whom the letter of offer shall be sent
<b>Letter of Offer/ LOF</b>	The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer
<b>LLP</b>	Limited Liability Partnership
<b>Manager to the Offer/Merchant Banker</b>	Saffron Capital Advisors Private Limited
<b>NRI</b>	Non-Resident Indian as defined in Foreign Exchange Management (Deposit) Regulations, 2000, as amended
<b>NSDL</b>	National Securities Depository Limited
<b>OCB</b>	Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
<b>Offer/Open Offer</b>	18,43,998 (Eighteen Lakh Forty Three Thousand Nine Hundred and Ninety Eight) fully paid Equity Shares of the Target Company, of face value of ₹ 10 each representing 26% (Twenty Six per cent) of Total Voting Share Capital of Target Company, at a price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share payable in cash
<b>Offer Consideration</b>	The maximum consideration payable under this Offer, assuming full acceptance, is ₹ 75,40,10,782.20/- (Rupees Seventy Five Crores Forty Lakhs Ten Thousands Seven Hundreds Eighty Two and Paise Twenty Only)
<b>Offer Period</b>	The period between the date on which the PA i.e. December 05, 2024, was issued by the Acquirers and the date on which the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this offer, is made, or the date on which this Offer is withdrawn, as the case may be
<b>Offer Price</b>	₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per equity share
<b>Offer Size / Offer Shares</b>	18,43,998 (Eighteen Lakh Forty Three Thousand Nine Hundred and Ninety Eight) fully paid Equity Shares of the Target Company, of face value of ₹ 10 each representing 26% (Twenty Six per cent) of Total Voting Share Capital of Target Company
<b>PAN</b>	Permanent Account Number
<b>Promoter(s) and Promoter group of the Target Company</b>	shall mean Viren Mirani, Shefali Mirani, Divyaprabha Mirani, Chandrasinh Mirani HUF, Jasumati Thaker and Olive Speciality Services LLP
<b>Public Announcement/PA</b>	Public Announcement of the Open Offer made by the Manager to the Offer on behalf of the Acquirers on December 05, 2024, in accordance with SEBI (SAST) Regulations, 2011
<b>RBI</b>	Reserve Bank of India
<b>Registrar to the Offer</b>	Link Intime India Private Limited
<b>SCRR</b>	Securities Contract (Regulations) Rules, 1957, as amended
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI Act</b>	Securities and Exchange Board of India Act, 1992, as amended
<b>SEBI (SAST) Regulations, 1997</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof
<b>SEBI (SAST) Regulations, 2011</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof
<b>Sellers/Selling Shareholders</b>	means collectively, Olive Speciality Services LLP, ("Seller 1"), Viren Mirani ("Seller 2"), and Shefali Mirani ("Seller 3"), collectively the Sellers
<b>Selling Broker</b>	Respective stockbrokers of all eligible shareholders who desire to

	tender their Shares under the Open Offer
<i>Stock Exchange</i>	Shall mean BSE Limited
<i>SEBI LODR Regulations</i>	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto
<i>SPA or Underlying Transaction</i>	shall mean the Share Purchase Agreement dated December 05, 2024 executed among the Acquirers, the Sellers and the Target Company, pursuant to which the Acquirers have agreed to acquire 27,95,932 (Twenty Seven Lakh Ninety Five Thousand Nine Hundred and Thirty Two) fully paid up Equity Shares of the Target Company Constituting 39.42% (Thirty Nine point Four Two percent) of Total Voting Share Capital of the Target Company at a price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share
<i>Target Company</i>	India Gelatine and Chemicals Limited having its registered office at 703/704, Shilp, 7th Floor, Near Municipal Market, Sheth C.G. Road, Navrangpura, Ahmedabad - 380009, Gujarat, India
<i>Tendering Period</i>	Tuesday, January 28, 2025, to Monday, February 10, 2025, both days inclusive
<i>Working Day</i>	Working days of SEBI

## II. 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 REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF INDIA GELATINE AND CHEMICALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR 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 ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 19, 2024, TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

## III. DETAILS OF THE OFFER

### A) Background of the Offer

1. This Open Offer is a mandatory open offer being made by the Acquirers to the Public Shareholders, pursuant to the execution of the SPA among the Acquirers, the Sellers and the Target Company, in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 as a result of a direct substantial acquisition of Equity Shares and voting rights of the Target Company to acquire up to 18,43,998 (Eighteen Lakh Forty Three Thousand Nine Hundred and Ninety Eight) (“**Offer Shares**”) Equity Shares of face value of ₹ 10/- (Rupees Ten only) representing 26% (Twenty Six percent) of the Total Voting Share Capital (“**Offer Size**”), at an offer price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share (“**Offer Price**”), aggregating to a total consideration of up to ₹ 75,40,10,782.20/- (Rupees Seventy Five Crores Forty Lakhs Ten Thousands Seven Hundreds Eighty Two and Paise Twenty Only), (“**Maximum Consideration**”).
2. The Acquirers have entered into SPA with Sellers to acquire 27,95,932 (Twenty Seven Lakh Ninety Five Thousand Nine Hundred and Thirty Two) Equity Shares (“**SPA Shares**” or “**Sale Shares**”)

representing 39.42% (Thirty nine point Four Two percent) of total Voting Share Capital of the Target Company, at a price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share of the Target Company aggregating to ₹ 114,32,56,594.80/- (Rupees One Hundred and Fourteen Crores Thirty Two Lakhs Fifty Six Thousands Five Hundreds Ninety Four and Paise Eighty) (“**Sale Consideration**”), subject to and in accordance with the terms and condition contained in the SPA.

**Salient features of SPA:**

- a) Acquirers have agreed to purchase the Sale Shares, and the Sellers have agreed to sell and transfer the Sale Shares in terms of SPA;
  - b) The Sellers are the legal and beneficial owners of Equity Shares held by it.
  - c) The Sale Shares under the SPA are free and clear from all liens, claim, encumbrance, charge, mortgage and the like.
  - d) On the completion date (*as defined in the SPA*) all the existing directors of the Company other than Seller 2 shall resign from the board of the target Company and the Seller 2 shall continue on the board of the target Company upto March 31, 2025, to assist the Acquirers.
  - e) For some of the above terms more specifically defined in the SPA and other details of SPA, Public Shareholders of the Target Company may refer to the SPA, which would be available to them for inspection during the Tendering Period at the Office of the Manager to the Offer.
3. Apart from the consideration of ₹114,32,56,594.80/- (Rupees One Hundred and Fourteen Crores Thirty Two Lakhs Fifty Six Thousands Five Hundreds Ninety Four and Paise Eighty) (₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share for 27,95,932 (Twenty Seven Lakh Ninety Five Thousand Nine Hundred and Thirty Two) Equity Shares) as envisaged under the SPA, no other compensation, directly or indirectly, is payable to the Sellers.
  4. The total consideration is paid / payable in cash for both under the SPA and the present Open Offer.
  5. The Acquirers have deposited the entire consideration payable to the public shareholders under this Offer in compliance with the Regulation 22 of the SEBI (SAST) Regulations, 2011. Accordingly, the Acquirers intend to acquire the SPA Shares and also obtain management control in the Target Company subsequent to expiry of 21 (twenty-one) working days from the date of the DPS.
  6. Narmada Gelatines Limited (“**NGL**”), a BSE Listed entity has purchased through a bulk deal on December 05, 2024, on BSE Limited 10,03,000 (Ten Lakh Three Thousand) Equity shares representing 14.14% (Fourteen point one four percent) of the Voting Share Capital of the Target Company at a rate of ₹ 408.8637/- (“**Bulk Deal**”). Acquirer 1 and Acquirer 2 are the promoters of NGL and jointly hold 75% of the total voting share capital of NGL. Pursuant to the aforesaid bulk deal and as per Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations, 2011, NGL will be a deemed PAC along with the acquirers for the said open offer. However, NGL vide its letter dated December 05, 2024, has confirmed that they neither intend to participate in this open Offer, directly or indirectly nor are they a party to the Share Purchase Agreement (*as defined above*).
  7. The Board of the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 2011, constitute a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7) of the SEBI SAST Regulations, 2011, the committee of independent directors of the Target Company shall provide their reasoned recommendations on this Open Offer to its shareholders and the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 2011, cause to publish such recommendation at least 2 (two) working days before the commencement of the Tendering Period, in the same newspapers where the Detailed Public Statement (DPS) of the Offer was published.
  8. Mr. S Annamalai and Mrs. A Rameshwari, promoters of both Acquirer 1 and Acquirer 2, hold 50 shares each in the Target Company and NGL holds 10,03,000 Equity Shares in the target company. Except for these and the shares proposed to be acquired under the SPA, the Acquirers presently do not have any other interest in the Target Company.
  9. The primary objective of the Acquirers for the above-mentioned acquisition is substantial acquisition of shares and voting rights in the Target Company and acquisition of management control of the Target Company. The Acquirers do not have any plan to make major changes in the existing line of business of the Target Company. However, depending on the requirements and expediency of the business situation and subject to all applicable laws, rules and regulations, the Board of Directors will take appropriate business decisions from time to time in order to improve the performance of the

Target Company.

10. The Offer Price shall be payable in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
11. This Offer is not made pursuant to any indirect acquisition, arrangement or agreement and is not a conditional offer.
12. The Offer is not a result of global acquisition resulting in indirect acquisition of Equity Shares of the Target Company or open market purchase.
13. The Acquirers confirm that they are not 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.
14. There is no person acting in concert (“PAC”) with the Acquirers for the purpose of this Open Offer.
15. As on the date of this DLOF, the Acquirers do not have any nominee directors or representatives on the Board of Directors.

**B) Details of the proposed Offer:**

1. The Public Announcement was made under Regulations 3(1) and 4 of the SEBI SAST Regulation, 2011 on December 05, 2024, by the Manager to the Offer on behalf of the Acquirers and submitted to the Stock Exchange, to the registered office of the Target Company and filed with SEBI.
2. In accordance with Regulation 13(4) and Regulation 14(3) of the SEBI (SAST) Regulations, 2011, the Acquirers published the DPS on Thursday, December 12, 2024, which appeared in the following newspapers:

Sr. No.	Newspapers	Language	Editions
1	Financial Express	English	All Editions
2	Jansatta	Hindi	All Editions
3	Financial Express	Gujarati	Ahmedabad Edition – <i>Being the regional language at the place where the Registered Office of the Target Company is situated</i>
4	Navshakti	Marathi	Mumbai edition – <i>Place of the stock exchange where the maximum volume of trading in the shares of the Target Company is recorded during the sixty trading days preceding the date of the Public Announcement i.e. BSE Limited</i>

Simultaneously, in accordance with the provisions of Regulation 14(4) of SEBI (SAST) Regulations, 2011, a copy of the DPS was sent through the Manager to the Offer to: (i) SEBI; (ii) BSE; and (iii) the Target Company on Thursday, December 12, 2024. A copy of DPS is also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), BSE at [www.bseindia.com](http://www.bseindia.com) and on the website of Manager to the Offer at [www.saffronadvisor.com](http://www.saffronadvisor.com).

3. This Open Offer is a mandatory open offer being made by the Acquirers to all the Public Shareholders of Target Company to acquire up to 18,43,998 (Eighteen Lakh Forty Three Thousand Nine Hundred And Ninety Eight) fully paid up Equity of the Target Company, of face value of ₹ 10/- each (“Offer Shares”) representing 26% (Twenty Six Percent) of the Total Voting Share Capital of the Target Company, at a price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per Equity Share, aggregating to ₹ 75,40,10,782.20/- (Rupees Seventy Five Crores Forty Lakhs Ten Thousands Seven Hundreds and Eighty Two and Paise Twenty Only), (“Offer” or “Open Offer”).
4. The Offer Price is payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
5. As on the date of this DLOF, there are no partly paid-up Equity Shares in the Target Company.
6. This Open Offer is not conditional on any minimum level of acceptance and is not a competing offer in terms of Regulations 19 and 20 respectively of the SEBI (SAST) Regulations, 2011.

7. Further, there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
8. There is no differential pricing for Equity Shares under the Offer.
9. There are no conditions as stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirers, and in view of which the Offer might be withdrawn under Regulation 23(1) of the SEBI (SAST) Regulations, 2011.
10. The equity shares of the Target Company will be acquired by the Acquirers under this Offer as fully paid up, free from all lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
11. As on the date of this DLOF, there are no statutory or other approvals required to complete the Underlying Transaction and this Offer. However, if any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, BSE, and to the Target Company at its registered office.
12. The Manager to the Offer does not hold any equity shares in the Target Company as on the date of appointment as well as on the date of this DLOF. The Manager to the Offer further declares and undertakes that it shall not deal in the equity shares of the Target Company during the period commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
13. As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25% (Twenty Five percent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of this Open Offer, the Underlying Transaction and the bulk deal transaction (as defined above), the public shareholding in the Target Company will fall below the Minimum Public Shareholding (“MPS”) requirement as per Rule 19A of SCRR read with SEBI (LODR) Regulations, 2015, and the Acquirers will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time, and in a manner acceptable to the Acquirers.
14. If the Acquirer(s) 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, then the Acquirer(s) shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, or pursuant to Delisting Regulations, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of shares of the Target Company in any form.
15. The Acquirers have not acquired any equity shares of the Target Company after the date of PA, i.e., December 05, 2024, and up to the date of this Draft Letter of Offer i.e. December 19, 2024.

#### **IV. OBJECT OF THE ACQUISITION/ OFFER**

1. The primary objective of the Acquirers is substantial acquisition of shares and voting rights in the Target Company along with the management control of the Target Company. The Acquirers may diversify its business activities in future into other lines of business. However, depending on the requirements and expediency of the business situation and subject to all applicable laws, rules and regulations, the Board of Directors will take appropriate business decisions from time to time in order to improve the performance of the Target Company.
2. The Acquirers do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of 2 (two) years except in the ordinary course of business. The Target Company’s future policy for disposal of its assets, if any, within 2 (two) years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through special resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011.

3. The Acquirers have not formulated any proposal as on the date of this DLOF, which may have an adverse material impact on employees and location of place of business of the Target Company.

## V. BACKGROUND OF THE ACQUIRERS

### 1. PIONEER JELLICE INDIA PRIVATE LIMITED (“Acquirer 1”)

- i. Acquirer 1 was incorporated on August 22, 1991, under the Companies Act, 1956 in the name and style of “Pioneer Miyagi Chemicals Private Limited” which was changed to “Pioneer Jellice India Private Limited” on March 22, 2007, vide fresh Certificate of Incorporation issued by Registrar of Companies, Chennai, Tamil Nadu. Acquirer 1 is a Private Company limited by shares. The Corporate Identification Number of Acquirer 1 is U24295TN1991PTC060630.
- ii. The Registered Office of Acquirer 1 is situated at 23, Vallabhai Road, Chokkikulam Madurai – 625002, Tamil Nadu, India.
- iii. As per the Memorandum of Association of Acquirer 1, the main objects of Acquirer 1 are a) To carry on the business of manufacturing, buying, selling, stocking, importing, exporting and otherwise dealing in all varieties of glues, gelatins, ossein, crushed bones, dicalcium phosphates and other chemicals and other adhesives. b) To carry on the business of manufacturing, buying, selling, stocking, importing, altering, importing, exporting and otherwise dealing in Organic and Inorganic Chemicals, acids, alkalis, dyes and pigments and c) To carry on the business of manufacturing, buying, selling, stocking, altering, importing, exporting and otherwise dealing in the various kinds of preparations and compounds of Organic and Inorganic Chemicals.
- iv. The Networth of Acquirer 1 as on September 30, 2024, is ₹ 23,325.68/- lakhs only (Rupees Twenty Three Thousand Three Hundred Twenty Five Lakhs and Sixty Eight Thousand Only) and the same is certified through its partner Mr. P.S. Narasimhan, (Membership No. 020936) by M/s. Jagannathan & Sarabeswaran, Chartered Accountants, (Firm Registration Number. 001204S), having office at, 4/9, 1st Floor, 2<sup>nd</sup> Cross Street, Seethammal Colony, Alwarpet, Chennai - 600018.; Email id: jandsca@gmail.com; vide certificate dated December 03, 2024, bearing Unique Document Identification Number (UDIN) – 24020936BKDFPU8247.
- v. The Directors and Promoters of Acquirer 1 are Deemed Persons Acting in Concert under SEBI (SAST) Regulations, 2011. However, except Acquirer 2, who is one of the promoters of Acquirer 1, none of the Directors and Promoters of the Acquirer 1 are interested or shall participate in this Open Offer.
- vi. Names, DIN, details of experience, qualifications, and date of appointment of the directors on the board of directors of Acquirer 1, as on the date of this Draft Letter of Offer, are as follows:

Name	Designation	DIN	Qualifications & Experience	Date of Appointment
Mr.S.Annamalai	Managing Director	00001381	<b>Qualification:</b> Graduate in Chemical Engineering from University of Madras <b>Experience:</b> 55 Years of experience in Successfully Managing Chemical Industries	22-08-1991  Managing Director from 02-11-2006
Mr.S.Maheswaran	Non-Executive Director	00143046	<b>Qualification:</b> Graduate in Commerce from University of Madras <b>Experience:</b> 55 Years of experience in successfully Managing Matches and Fireworks Industries.	22-08-1991
Mrs.A.Aruna	Non-Executive Director	00143714	<b>Qualification:</b> Graduate in Chemistry from Madurai Kamaraj University <b>Experience:</b> 44 Years of experience in General Management including Infrastructure and Educational Institution	30-03-2012

Mr.A.Niranjan Sankar	Executive Director	00084014	<b>Qualification:</b> Graduate in Textile Technology from Indian Institute of Technology, Delhi and Master of Business Administration (MBA) from Indian Institute of Management, Bangalore. <b>Experience:</b> 27 Years of experience in Gelatine, Infrastructure Industries.	31-03-2006  Executive Director from 01-11-2019
Mr.M.Pradeep Sankar	Non-Executive Director	00144074	<b>Qualification:</b> Graduate in Instrumentation and Control Engineering from National Institute of Technology, Tiruchirappalli and Master's in Science in Electrical Engineering from A&M University, Texas, USA. <b>Experience:</b> 23 years of experience in Renewable Energy and Software Industries.	29-06-2019
Mr.Kenichi Inai	Non-Executive Director	00996218	<b>Qualification:</b> Graduate in Political Science from KEIO University, Japan. <b>Experience:</b> More than three decades of experience in Gelatine and Collagen Industries	31-12-2001

vii. The shareholding pattern of the Acquirer 1 is as follows:

Sr. No.	Shareholder's category	No. and Percentage of shares held
1.	Promoters	27,60,000 (100.00)
2.	FII/ Mutual-Funds/ FIs Banks	-
3.	Public	-
	<b>Total Paid Up Capital</b>	<b>27,60,000 (100.00)</b>

viii. The shareholding of promoter/promoter group of the Acquirer 1 is as follows:

Sr. No.	Name of Key Shareholders/Promoters	No. of Shares	%
1.	Mr. S Annamalai	1,004	0.04
2.	Mrs. A. Rameshwari	1,200	0.04
3.	Mr. A.Niranjan Sankar	71,834	2.60
4.	Mr. A.Pramod Sankar	71,833	2.60
5.	M/s Niranjansankar Enterprises Private Limited	1,12,796	4.09
6.	Mr.S.Maheswaran	1,104	0.04
7.	Mrs.M.Revathi	1,200	0.04
8.	Mr.M.Pradeep Sankar	1,43,567	5.20
9.	M/s. Pradeepsankar Enterprises Private Limited	1,12,796	4.09
10.	Mrs.A.Aruna	1,45,870	5.29
11.	M/s. Boopathy Investments Private Limited	1,12,796	4.09
12.	M/s Pioneer Asia Industries Private Limited	8,46,000	30.65
13.	M/s. Ashok Matches and Timber Industries Private Limited	5,38,000	19.49
14.	M/s. Jellice Co. Ltd., Japan	6,00,000	21.74
	<b>Total</b>	<b>27,60,000</b>	<b>100.00</b>

\* (Source: Form MGT-7 filed by the Acquirer 1 with the Ministry of Corporate Affairs (MCA) for financial year 2023-2024).



- ix. The Key financial information of Acquirer 1 based on its unaudited financial statements for the six months ended September 30, 2024, and audited financial statements for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, is as given below:

(₹ in lakhs except EPS)

Profit and Loss Statement				
Profit & Loss Statement	Unaudited Financial Statements for Six months ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
Revenue from Operations	16,218.48	32,311.89	34,217.03	25,475.34
Other Income	1,185.24	1,007.40	3,101.72	107.09
<b>Total Revenue</b>	<b>17,403.72</b>	<b>33,319.29</b>	<b>34,527.19</b>	<b>25,582.43</b>
<b>Expenses</b>				
(a) Cost of Materials Consumed	7,661.71	15,693.37	14,685.42	15,131.44
(b) Purchase of Stock –in-Trade	80.21	118.42	190.86	60.02
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(730.20)	(2,617.68)	574.22	(1,345.30)
(d) Employee benefits expenses	1,194.77	1,770.35	1,645.54	1,504.08
(e) Finance Costs	849.90	1,589.60	877.42	711.32
(f) Depreciation	529.92	1,114.54	1,196.46	1,115.25
(g) Other Expenses	3,797.65	7,567.59	8,400.33	6,514.58
<b>Total Expenses</b>	<b>13,383.98</b>	<b>25,236.21</b>	<b>27,570.28</b>	<b>23,691.41</b>
<b>Profit before Extraordinary items and tax</b>	<b>-</b>	<b>8,083.07</b>	<b>6,956.90</b>	<b>1,891.01</b>
<b>Profit before Tax</b>	<b>4,019.74</b>	<b>8,083.07</b>	<b>6,956.90</b>	<b>1,891.01</b>
<b>Tax Expenses</b>				
(a) Current tax expenses for current year	1,004.93	2073.00	1918	408
(b) Deferred Tax (credit)	-	(170.00)	130	150
(c) MAT Tax Credit Entitlement	-	50.14	45.19	34.60
Total tax expense	1004.93	1,953.14	2,093.19	592.60
<b>Profit for the year from continuing Operations</b>	<b>3,014.80</b>	<b>6,129.92</b>	<b>4,863.71</b>	<b>1,331.255</b>
<b>Earnings per share (₹)</b>				
<b>Basic and Diluted Earnings per Share</b>	<b>109.23</b>	<b>222.10</b>	<b>202.65</b>	<b>55.47</b>

(₹ in Lakhs)

Balance Sheet				
Balance Sheet Statement	Unaudited Financial Statements for half year ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
<b>Equity and Liabilities</b>				
Shareholder's Fund				
(a) Equity Share capital	276.00	276.00	240.00	240.00
(b) Other Equity	23,049.67	20,034.86	12,140.94	7,517.23
<b>Total</b>	<b>23,325.67</b>	<b>20,310.86</b>	<b>12,380.94</b>	<b>7,757.23</b>
<b>Non-Current Liabilities</b>				
(a) Long Term Borrowings	4,909.53	12,399.20	7,502.15	4,387.61
(b) Deferred Tax Liabilities	360.00	360.00	530.00	400.00
<b>Current Liabilities</b>				
(a) Short-term borrowings	14,519.13	6,037.57	3,138.32	6,047.24
(b) Trade Payable	1,273.08	1,180.20	981.75	869.45
(c) Other Current Liabilities	3,141.48	2,619.93	1,537.07	1,814.89
(d) Short-term Provisions	2,237.27	584.33	721.97	197.16
<b>Total (Equity and Liabilities)</b>	<b>49,766.18</b>	<b>43,492.12</b>	<b>26,792.22</b>	<b>21,473.59</b>

<b>Assets</b>				
Property, Plant & Equipment's				
Tangible Assets	6,479.81	6,140.63	7,186.13	7273.86
Intangible Assets	61.37	61.69	2.53	4.15
Capital work in progress	0.29	170.95	-	838.76
Non –Current Investments	15,074.88	6,893.85	832.17	832.17
Long term loans and advances	10,707.38	16,178.01	7,041.75	1,720.86
<b>Current Assets</b>				
(a) Inventories	8,595.50	7,763.77	5,342.32	6186.45
(b) Trade receivables	5,347.55	4,978.26	5229.37	3457.47
(c) Cash and Cash Equivalents	2,784.99	195.07	732.41	867.83
(d) Short-term Loans and Advances	583.89	1,047.97	374.29	181.11
(e) Other current assets	130.48	61.87	51.21	110.92
<b>Total</b>	<b>49,766.18</b>	<b>43,492.12</b>	<b>26,792.22</b>	<b>21,473.59</b>

<b>Other Financial Data</b>				
<b>Other Financial Data</b>	<b>Unaudited Financial Statements for half year ended September 30, 2024</b>	<b>Audited Financial Statements for the Financial Year ending March 31</b>		
		<b>2024</b>	<b>2023</b>	<b>2022</b>
Dividend (%)	Nil	Nil	100	50
Earnings Per Share (₹)	109.23#	222.10	202.65	55.47
Return on Net worth (%)	12.92#	30.18	39.28	17.16
Book Value per share (₹)	845.13	735.90	515.87	323.22

#Not Annualized

**Note:**

The financial information set forth above has been extracted from its unaudited financial statements for the six months ended September 30, 2024, and audited financial statements for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022.

- x. As certified by Statutory Auditor of Acquirer 1, Contingent Liabilities as on March 31, 2024, is ₹ 5,77,56,000 (Rupees Five Crore Seventy Seven Lakh Fifty Six Thousand only).
- xi. Acquirer 1 confirms that none of its Promoters or Directors or persons in control are parties to any pending litigation pertaining to the securities market.
- xii. Acquirer 1 does not hold any Equity Shares of the Target Company as on the date of this DLOF. Therefore, the provisions of chapter V of the SEBI (SAST) Regulations, 2011, is not applicable.

**2. ASHOK MATCHES AND TIMBER INDUSTRIES PRIVATE LIMITED (“Acquirer 2”)**

- (i) Acquirer 2 was incorporated on July 10, 2000, under the Companies Act, 1956 in the name and style of “Ashok Matches and Timber Industries (with Unlimited Liability)” which was later changed to “Ashok Matches and Timber Industries Private Limited” on September 21, 2000, vide fresh Certificate of Incorporation issued by Registrar of Companies, Chennai, Tamil Nadu. Acquirer 2 is a Private Company limited by shares. The Corporate Identification Number of the Acquirer 2 is U24291TN2000PTC045347.
- (ii) The Registered Office of Acquirer 2 is situated at Boopathy Building, 17-A, Virudhunagar Road, Sivakasi - 626 123. Tamil Nadu, India.
- (iii) As per the Memorandum of Association of Acquirer 2, the main objects of Acquirer 2 are a) to carry on the business of buying, importing, sizing, selling, exporting, manufacturing, altering, improving, distributing and otherwise dealing in Timber and Timber products including splints and Veneers b) to acquire, purchase, take on lease or hire or by any other means any real estate and/or to develop the same and c) to erect, construct, maintain and operate buildings and other superstructures of any kind including software and information technology parks comprising offices and/or units for commercial, retail, shopping or other purposes together with infrastructural facilities and to lease, let out on hire, sell or otherwise dispose of or deal in the buildings, other superstructures or any part thereof.
- (iv) The Networth of Acquirer 2 as on September 30, 2024, is ₹ 25,150/- lakhs only (Rupees Twenty Five Thousand One Hundred and Fifty Lakhs Only) and the same is certified through its partner Mr. P.S.

Narasimhan, (Membership No. 020936) by M/s Jagannathan & Sarabeswaran, Chartered Accountants, Firm Registration Number. 001204S), having office at 4/9, 1st Floor, 2<sup>nd</sup> cross street, Seethammal Colony, Alwarpet, Chennai - 600018.; Email id: jandsca@gmail.com; vide certificate dated December 02, 2024, bearing Unique Document Identification Number (UDIN) – 24020936BKDFPT1234.

(v) The Directors and Promoters of Acquirer 2 are Deemed Persons Acting in Concert under SEBI (SAST) Regulations. However, none of the Directors and Promoters of the Acquirer 1 are interested or shall participate in this Open Offer.

(vi) Names, DIN, details of experience, qualifications, and date of appointment of the directors on the board of directors of Acquirer 2, as on the date of this Draft Letter of Offer, are as follows:

Name	Designation	DIN	Qualifications & Experience	Date of Appointment
Mr.S.Annamalai	Non-Executive Director	00001381	<b>Qualification:</b> Graduate in Chemical Engineering from University of Madras <b>Experience:</b> 55 Years of experience in Successfully Managing Chemical Industries	10-07-2000
Mr.S.Maheswaran	Non-Executive Director	00143046	<b>Qualification:</b> Graduate in Commerce from University of Madras <b>Experience:</b> 55 Years of experience in successfully Managing Matches and Fireworks Industries.	10-07-2000
Mrs.A.Aruna	Executive Director	00143714	<b>Qualification:</b> Graduate in Chemistry from Madurai Kamaraj University <b>Experience:</b> 44 Years of experience in General Management including Infrastructure and Educational Institution	02-03-2007  Executive Director from 29-06-2010
Mr.A.Niranjana Sankar	Non-Executive Director	00084014	<b>Qualification:</b> Graduate in Textile Technology from Indian Institute of Technology, Delhi and Master of Business Administration (MBA) from Indian Institute of Management, Bangalore. <b>Experience:</b> 27 Years of experience in Gelatine, Infrastructure Industries.	10-07-2000
Mr.M.Pradeep Sankar	Non-Executive Director	00144074	<b>Qualification:</b> Graduate in Instrumentation and Control Engineering from National Institute of Technology, Tiruchirappalli and Master's in Science in Electrical Engineering from A&M University, Texas, USA. <b>Experience:</b> 23 years of experience in Renewable Energy and Software industries.	10-07-2000

(vii) Shareholding pattern of the Acquirer 2 is as follows:

Sr. No.	Shareholder's category	No. and Percentage of shares held
1.	Promoters	1,30,00,000 (100.00)
2.	FII/ Mutual-Funds/ FIs Banks	Nil
3.	Public	Nil
	<b>Total Paid Up Capital</b>	<b>1,30,00,000 (100.00)</b>

(viii) The shareholding of promoter/promoter group of the Acquirer 2 is as follows:

Sr. No.	Name of Promoter/Promoter Group	No. of Shares	%
1	Mr.S.Annamalai (BHUF)	12,00,000	9.23
2	Mrs. A.Rameshwari	6,50,000	5.00
3	Mr.S.Maheswaran	12,00,000	9.23
4	Mrs.M.Revathi	7,80,000	6.00
5	Mrs.A.Aruna	12,50,000	9.62
6	Mr.A.Nirajan Sankar	12,41,667	9.55
7	Mr.M.Pradeep Sankar	12,45,000	9.58
8	Mr. A.Pramod Sankar	12,41,667	9.55
9	Mrs. M. Sindhuja Boopathy	11,08,333	8.53
10	Mrs.A.Saranya Boopathy	10,27,778	7.91
11	Mrs.A. Nandita Boopathy	10,27,778	7.90
12	Mrs.A. Meenakshi Boopathy	10,27,777	7.90
<b>Grand Total</b>		<b>1,30,00,000</b>	<b>100.00</b>

\*(Source: Form MGT-7 filed by Acquirer 2 with the Ministry of Corporate Affairs (MCA) for financial year 2023-2024).

(ix) The Key financial information of the Acquirer 2 is based on its unaudited financial statements for the 6 (six) months ended September 30,2024 and audited financial statements for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, is as given below:

(₹ in lakhs except EPS)

Profit and Loss Statement				
Profit & Loss Statement	Unaudited Financial Statements for Six months ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
Revenue from Operations	2,495.08	4,663.91	4,505.57	4,723.77
Other Income	839.53	2,406.50	1,654.27	1,183.37
Share of Profit/Loss on Partnership Firms	-	(18.51)	(39.39)	(0.31)
<b>Total Revenue</b>	<b>3,334.61</b>	<b>7,051.90</b>	<b>6,120.45</b>	<b>5,906.82</b>
<b>Expenses</b>				
(a) Cost of Materials Consumed	-	36.93	47.56	57.02
(b) Employee benefits expenses	126.07	281.95	255.42	240.86
(c) Finance Costs	380.18	625.02	285.44	332.51
(d) Depreciation	180.00	433.93	378.59	429.17
(e) Other Expenses	992.23	1,929.27	1,744.05	1,139.39
<b>Total Expenses</b>	<b>1,678.48</b>	<b>3,307.10</b>	<b>2,711.06</b>	<b>2,198.97</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>1,656.13</b>	<b>3,744.80</b>	<b>3,409.39</b>	<b>3,707.87</b>
<b>Profit before Extraordinary items and tax</b>	<b>1,656.13</b>	<b>3,74,4.80</b>	<b>3,409.39</b>	<b>3,707.87</b>
<b>Profit before Tax</b>	<b>1,656.13</b>	<b>3,744.80</b>	<b>3,409.39</b>	<b>3,707.87</b>
<b>Tax Expenses</b>				
(a) Current tax expenses for current year	350.00	1,000.00	900.00	900.00
(b) Deferred Tax(credit)	-	(6.30)	(5.97)	(10.29)
<b>Profit for the year from continuing Operations</b>	<b>1,306.13</b>	<b>2,751.10</b>	<b>2,515.36</b>	<b>2,818.17</b>
<b>Earnings per share</b>				
Basic and Diluted Earnings per Share	10.05	21.16	19.35	21.68

<b>Balance Sheet</b>				
<b>Balance Sheet Statement</b>	<b>Unaudited Financial Statements for half year ended September 30, 2024</b>	<b>Audited Financial Statements for the Financial Year ending March 31</b>		
		<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Equity and Liabilities</b>				
Shareholder's Fund				
(a) Share capital	1,300.00	1,300.00	1,300.00	1,300.00
(b) Reserve & Surplus	23,849.54	22,560.05	19,808.95	17,293.59
<b>Non-Current Liabilities</b>				
(a) Long Term Borrowings	14,911.26	8,414.25	3,859.17	5,570.72
(b) Deferred Tax Liabilities	723.14	723.14	729.44	735.42
(c) Long-Term Provisions	110.01	110.01	94.58	80.97
<b>Current Liabilities</b>				
(a) Short-term borrowings	-	905.97	1,176.12	884.68
(b) Trade Payable	37.06	56.32	37.85	56.04
(c) Other Current Liabilities	142.39	118.83	1,213.91	956.96
(d) Short-term Provisions	2,819.87	2,509.88	2,409.88	3,072.78
<b>Total (Equity and Liabilities)</b>	<b>43,893.30</b>	<b>36,698.48</b>	<b>30,629.92</b>	<b>29,951.16</b>
<b>Assets</b>				
<b>Non-Current assets</b>				
(a) Property, Plant &; Equipment's	7,247.61	7,345.49	6,615.89	6,861.56
<b>Tangible Assets</b>				
(b) Non –Current Investments	17,408.42	17,258.42	10,815.94	11,215.41
<b>Current Assets</b>				
(a) Current Investments	420.81	417.21	426.43	-
(b) Inventories	-	-	1.26	2.50
(c) Trade receivables	192.10	184.78	171.19	219.85
(d) Cash and Cash Equivalents	339.66	182.99	231.57	206.83
(e) Short-term Loans and Advances	18,284.69	11,309.57	12,367.62	11,445.03
<b>Total (Assets)</b>	<b>43,893.30</b>	<b>36,698.48</b>	<b>30,629.92</b>	<b>29,951.16</b>

<b>Other Financial Data</b>				
<b>Other Financial Data</b>	<b>Unaudited Financial Statements for half year ended September 30, 2024</b>	<b>Audited Financial Statements for the Financial Year ending March 31</b>		
		<b>2024</b>	<b>2023</b>	<b>2022</b>
Dividend (%)	Nil	Nil	Nil	Nil
Earnings Per Share (₹)	10.05#	21.16	19.35	21.68
Return on Net worth (%)	5.19#	11.53	11.92	15.16
Book Value per share (₹)	193.46	183.54	162.38	143.03

#Not Annualized

**Note:**

The financial information set forth above has been extracted from its unaudited financial statements for the six months ended September 30, 2024, and audited financial statements for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022.

- (x) As certified by Statutory Auditor of Acquirer 2, the Contingent Liabilities as on March 31, 2024, are ₹ NIL.
- (xi) Acquirer 2 confirms that none of its Promoters or Directors or persons in control are parties to any pending litigation pertaining to the securities market.
- (xii) Acquirer 2 does not hold any Equity Shares of the Target Company as on the date of this DLOF. Therefore, the provisions of chapter V of the SEBI (SAST) Regulations, 2011 are not applicable

**3. As on date of this Draft Letter of Offer, the Acquirers have individually confirmed, and declared that:**

- (i) The Acquirers belong to the Pioneer Asia Group and the Acquirer 2 is the promoter shareholder of Acquirer 1.
- (ii) There are no Persons Acting in Concert (“PACs”) along with Acquirers in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
- (iii) Acquirers confirm that they have not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (“SEBI Act”) or under any other Regulations made under the SEBI Act.
- (iv) Acquirers confirm that they are not categorized as a “willful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011.
- (v) Acquirers confirm that none of its promoters or directors or persons in control are parties to any pending litigations pertaining to the securities market, where they are made party to as on the date of this DLOF.
- (vi) The securities of the Acquirers are not listed on any stock exchanges in India or outside India.
- (vii) Acquirers confirm that they are not related to the Promoters, Directors or Key Employees of the Target Company in any manner.
- (viii) Save and except as set out in point #I(A)(1)(v) and I(A)(2)(v) above, as of the date of this DLOF, neither the Acquirers nor their directors or key employees have any relationship or interest in the Target Company except for the transaction contemplated by the Acquirers in the SPA. Furthermore, as on the date of this DPS, there are no directors representing the Acquirers on the board of directors of the Target Company.
- (ix) Except the purchase of 10,03,000 (Ten Lakh Three Thousand) Equity shares representing 14.14% (Fourteen point one four percent) of the Voting Share Capital of the Target Company through bulk deal by Narmada Gelatines Limited\* (“NGL”) on December 05, 2024, as a result of which, NGL is a deemed PAC with the Acquirers the Acquirers do not hold any Equity Shares or voting rights in the Target Company. However, NGL vide its letter dated December 05, 2024, has confirmed that it neither intends to participate in this open Offer, directly or indirectly, nor is it a party to the SPA. Furthermore, the Acquirers have not acquired any Equity Shares of the Target Company after the date of the PA.  
*\*Acquirer 1 and Acquirer 2 are the promoters of NGL and jointly hold 75% (seventy five percent) of the total voting share capital of NGL.*
- (x) The Acquirers undertake not to sell the Equity Shares of the Target Company held by them during the Offer Period in terms of Regulation 25(4) of the SEBI (SAST) Regulations, 2011.
- (xi) While persons may be Deemed PACs, such Deemed PACs are not acting in concert with the Acquirers for the purposes of this Open Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
- (xii) Mr. S Annamalai and Mrs. A Rameshwari, promoters of both Acquirer 1 and Acquirer 2, hold 50 shares each in the Target Company and NGL holds 10,03,000 equity shares in the Target Company. Except for these and the shares proposed to be acquired under the SPA, the Acquirers presently do not have any other interest in the Target Company.

**4. The current and proposed shareholding of the Acquirers and Deemed PAC in the Target Company and the details of the acquisition are as follows:**

Details	Pioneer Jellice India Private Limited “(Acquirer 1)”	Ashok Matches and Timber Industries Private Limited “(Acquirer 2)”	Narmada Gelatines Limited* “(Deemed PAC)”	Total
	Number of Equity Shares and % of Total Voting Share Capital	Number of Equity Shares and % of Total Voting Share Capital	Number of Equity Shares and % of Total Voting Share Capital	Number of Equity Shares and % of Total Voting Share Capital
Shareholding as on the PA date	NIL <sup>§</sup>	NIL <sup>§</sup>	10,03,000 14.14%	<b>10,03,000</b> <b>14.14%</b>
Equity Shares acquired through SPA	13,97,966 19.71%	13,97,966 19.71%	Nil	<b>27,95,932</b> <b>39.42%</b>
Equity Shares acquired between the PA date and the DPS date	NIL	NIL	Nil	<b>Nil</b>
<b>Post Offer Shareholding, as of 10<sup>th</sup> working day after closing of Tendering Period (assuming full acceptance under the Open Offer)</b>	<b>13,97,966</b> <b>19.71%</b>	<b>32,41,964**</b> <b>45.71%</b>	<b>10,03,000</b> <b>14.14%</b>	<b>56,42,930</b> <b>79.56%</b>

*Note: As on the date of this DPS, the Acquirers do not hold any Equity Shares of the Target Company.*

*\*Narmada Gelatines Limited (“NGL”), a BSE Listed entity has purchased through a bulk deal on December 05, 2024, on BSE Limited 10,03,000 (Ten Lakh Three Thousand) Equity shares representing 14.14% (Fourteen point one four percent) of the Voting Share Capital of the Target Company at a rate of ₹ 408.8637/- (“Bulk Deal”). Acquirer 1 and Acquirer 2 are the promoters of NGL and jointly hold 75% (seventy five percent) of the total voting share capital of NGL. Pursuant to the aforesaid bulk deal and as per Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations, 2011, NGL will be a deemed PAC along with the acquirers for the said open offer. However, NGL vide its letter dated December 05, 2024, has confirmed that they neither intend to participate in this open Offer, directly or indirectly nor are they a party to the SPA.*

*\*\*Assuming full acceptance under the Open Offer.*

*§Mr. S Annamalai and Mrs. A Rameshwari, promoters of both Acquirer 1 and Acquirer 2, hold 50 shares each in the Target Company.*

## **VI. BACKGROUND OF THE TARGET COMPANY**

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

- The Target Company was incorporated on April 16, 1973, under the Companies Act 1956 as “India Gelatine and Chemicals Limited” vide Certificate of Incorporation issued by Registrar of Companies, Ahmedabad at Gujarat. There have been no changes in the name of the Target Company in the last 3 (three) years.
- The registered office of the Target Company is presently situated at 703/704, Shilp, 7<sup>th</sup> Floor, Near Municipal Market, Sheth C.G. Road, Navrangpura - 380009, Ahmedabad, Gujarat, India, Tel No: +91-079-26466737, Email: [igcl@indiagelatine.com](mailto:igcl@indiagelatine.com); Website: [www.indiagelatine.com](http://www.indiagelatine.com). The Corporate Identification Number (“CIN”) of the Target Company is L99999GJ1973PLC002260.
- The Target Company is engaged in the business of manufacturers, importers, exporters, retailers, distributors, agents and dealers for all grades of Ossein, Gelatine, Collagen Hydrolysate, Hydrolyzed Gelatine, Leaf Gelatine, Gelatine Hydrolysate including Collagen Peptide & its variants. To carry on the business of manufacturers, producers, importers, exporters, retailers, distributors, agents and dealers in spices and its products. To carry on the business of manufacturers, importers, exporters, retailers, distributors, agents and dealers in health/wellness and hygiene products and its variants. To carry on the business of manufacturers, producers, importers, exporters, retailers, distributors, agents and dealers in cookware and cooking equipment and its variants.
- The Authorized Share Capital of the Target Company is ₹ 12,50,00,000 (Rupees Twelve Crore fifty Lakh) comprising of comprising of 1,25,00,000 Equity Shares of face value of ₹ 10 each. The Issued, Subscribed and paid-up Share Capital of the Target Company is ₹ 7,09,23,000 (Rupees Seven Crore Nine Lakh Twenty-Three Thousand only) comprising 70,92,300 equity shares of 10/- each.

5. As on date of this DLOF, the Board of Directors of the Target Company comprises of the below mentioned persons:

Sr. No	DIN	Name	Designation	Date of Appointment*
1	00044901	Viren Mirani	Chairperson-Managing Director	July 21, 2000
2	03107547	Shefali Mirani	Executive Director	July 7, 2014
3	01858267	Bharati Mongia	Non-Executive - Independent Director	June 28, 2021
4	07643342	Vaibhav Pittie	Non-Executive - Independent Director	April 1, 2024
5	00362480	Ashwini Agarwal	Non-Executive - Independent Director	April 1, 2024
6	00402675	Malay Khimji	Non-Executive - Independent Director	March 13, 2020

(Source: [www.mca.com](http://www.mca.com) and [www.bseindia.com](http://www.bseindia.com))

\*The date of appointment is as per the MCA Portal

6. As on date of this DLOF, there are no: (i) partly paid Equity Shares; (ii) none of the shares are locked-in and (iii) there are no outstanding convertible securities which are convertible into Equity Shares (such as depository receipts, fully convertible debentures, warrants, or employee stock options), issued by the Target Company.
7. The Equity Shares of Target Company are presently listed on BSE Limited (“BSE”) (**Script Code:** 531253 and **Script id:** INDGELA). The ISIN of Equity Shares of Target Company is INE342D01012. (Source: [www.bseindia.com](http://www.bseindia.com))
8. The Equity Shares of Target Company are frequently traded on BSE, within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011. (Source: [www.bseindia.com](http://www.bseindia.com)).
9. The Equity Shares of Target Company were initially listed on the BSE, and Ahmedabad Stock Exchange (“ASE”). In the year 2018, the Equity shares of the Target Company got delisted from the ASE.
10. Narmada Gelatines Limited (“NGL”), a BSE Listed entity has purchased through a bulk deal on December 05, 2024, on BSE Limited 10,03,000 (Ten Lakh Three Thousand) Equity shares representing 14.14% (Fourteen point one four percent) of the Voting Share Capital of the Target Company at a rate of ₹ 408.8637/- (“**Bulk Deal**”). Acquirer 1 and Acquirer 2 are the promoters of NGL and jointly hold 75% of the total voting share capital of NGL. Pursuant to the aforesaid bulk deal and as per Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations, 2011, NGL will be a deemed PAC along with the Acquirers for the said Open offer. However, NGL vide its letter dated December 05, 2024, has confirmed that they neither intend to participate in this Open Offer, directly or indirectly nor are they a party to the Share Purchase Agreement (*as defined above*).
11. The current members of the Promoter and Promoter Group of the Target Company are Viren Mirani, Shefali Mirani, Divyaprabha Chandrasinh Mirani (Promoter Group), Chandrasinh Hansraj Mirani HUF. (Promoter Group), Jasumati Jethalal Thaker (Promoter Group), And Olive Speciality Services LLP (Promoter Group).  
(Source: [www.bseindia.com](http://www.bseindia.com))
12. No merger / demerger / spin off have taken place in the Target Company during the last 3 (three) years.
13. Target Company has confirmed that neither the Company nor its promoters or directors are categorized as a wilful defaulter in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011 or is a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
14. The share capital structure of the Target Company as of the date of this draft letter of offer is:

Issued and Paid-up Equity Share of Target Company\	Pre – Open Offer		Post – Open Offer	
	Number of Equity Shares /Voting Rights	% of Equity Shares/Voting Rights	Number of Equity Shares /Voting Rights	% of Equity Shares/Voting Rights
Fully paid-up Equity Shares	70,92,300	100	70,92,300	100
Partly paid-up Equity Shares	Nil	Nil	Nil	Nil
Total paid-up Equity Shares	70,92,300	100	70,92,300	100
<b>Total Voting Rights in Company</b>	<b>70,92,300</b>	<b>100</b>	<b>70,92,300</b>	<b>100</b>



15. The Acquirers do not have any representatives on the Board of Directors as on the date of this DLOF.
16. The key financial information of the Target Company as extracted from its respective Unaudited Financial Statements for the period ending September 30, 2024, and audited financial statements as of and for the financial years ended on March 31, 2024, March 31, 2023, and March 31, 2022, is as set out below:

(₹ in lakhs except EPS)

<b>Profit and Loss Statement</b>				
<b>Profit &amp; Loss Statement</b>	<b>Unaudited Financial Statements for the period ending September 30, 2024</b>	<b>Audited Financial Statements for the Financial Year ending March 31</b>		
		<b>2024</b>	<b>2023</b>	<b>2022</b>
Revenue from Operations	9,280.71	20,583.97	20,519.68	15,983.79
Other Income	419.01	823.58	315.35	379.79
<b>Total Income</b>	<b>9,699.72</b>	<b>21,407.55</b>	<b>20,835.03</b>	<b>16,363.58</b>
<b>Expense</b>				
Cost of materials Consumed	4,499.19	9,083.94	9,419.39	8,435.36
Purchase of Stock-in-Trade	0.00	14.51	16.11	14.58
Changes in inventories of finished goods, work in progress and stock in trade	(60.09)	(365.58)	(895.61)	(222.61)
Employee benefits expense	640.71	1,274.79	1,320.89	1,052.79
Finance Costs	27.67	73.74	64.90	19.11
Depreciation and amortisation expenses	269.99	525.95	385.05	360.04
Power and Fuel	1,411.22	2,902.50	0.00	0.00
Other Expenses	1,835.96	4,171.25	7,317.61	5,969.95
<b>Total Expenses</b>	<b>8,624.65</b>	<b>17,681.10</b>	<b>17,628.33</b>	<b>15,629.22</b>
<b>Profit before exceptional items and tax</b>	<b>1,075.07</b>	<b>3,726.45</b>	<b>3,206.70</b>	<b>734.36</b>
<b>Exceptional Items</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Profit before tax</b>	<b>1,075.07</b>	<b>3,726.45</b>	<b>3,206.70</b>	<b>734.36</b>
<b>Tax Expenses</b>				
Current Tax	261.10	708.86	749.96	213.12
Deferred Tax	1.35	184.11	62.85	(39.43)
Short / (Excess) Provision of taxation of earlier year (Net)	-	(5.37)	3.94	(0.46)
<b>Total Tax Expenses</b>	<b>812.62</b>	<b>887.60</b>	<b>816.75</b>	<b>173.22</b>
<b>Profit After Tax</b>	<b>812.62</b>	<b>2,838.85</b>	<b>2,389.94</b>	<b>561.14</b>
<b>Other Comprehensive Income/(Loss) for the year</b>				
Items that will not be reclassified to profit or loss		0.00	0.00	0.00
Remeasurement of defined employee benefit plans	(17.63)	(11.47)	(57.12)	103.31
Income tax relating to items that will not be reclassified to profit or loss	4.44	2.89	14.38	(26.00)
<b>Total Other Comprehensive Income/ (Loss)</b>	<b>(13.19)</b>	<b>(8.58)</b>	<b>(42.74)</b>	<b>77.31</b>
<b>Total Comprehensive Income for the Period</b>	<b>799.43</b>	<b>2,830.27</b>	<b>2,347.20</b>	<b>638.45</b>

Balance Sheet				
Balance Sheet Statement	Unaudited Financial Statements for the period ending September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
<b>Equity</b>				
(a) Equity Share Capital	709.23	709.23	709.23	709.23
Other Equity	15426.21	14697.70	12931.27	10761.37
<b>Total Equity</b>	<b>16,135.44</b>	<b>15,406.93</b>	<b>13,640.50</b>	<b>11,470.60</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>a) Financial Liabilities</b>				
i) Borrowings	469.95	563.08	783.04	0.00
(ii) Lease Liabilities	4.78	7.46	0.00	0.00
(b) Provisions	273.12	27.95	693.39	550.30
(c) Deferred Tax Liabilities (Net)	639.55	642.64	461.41	412.94
<b>Total Non-Current Liabilities</b>	<b>1,387.40</b>	<b>1,453.94</b>	<b>1,937.84</b>	<b>963.24</b>
<b>Current Liabilities</b>				
<b>a) Financial Liabilities</b>				
i) Borrowings	234.98	225.23	223.72	0.00
(ii) Lease Liabilities	5.23	4.98	0.00	0.00
(iii) Trade Payables	-	-	-	-
- Total outstanding dues of micro and small enterprises	40.68	357.14	829.94	305.03
- Total outstanding dues of creditors other than micro and small enterprises	812.01	483.23	580.57	516.15
(iv) Other Financial Liabilities	197.88	82.52	348.86	49.71
<b>Other current Liabilities</b>	85.55	373.69	197.27	276.78
<b>Provision</b>	71.00	265.89	56.96	48.16
Current Tax Liabilities (Net)	-	0.00	179.70	0.00
<b>Total Current Liabilities</b>	<b>1,447.33</b>	<b>18440.74</b>	<b>2,417.02</b>	<b>1,195.84</b>
<b>Non-current Assets</b>				
Property, plant and equipment	6954.60	6861.12	5993.20	4103.56
Capital work-in-progress	187.49	180.37	438.29	63.36
Intangible Assets	2.01	2.55	1.44	0.00
Right of Use Asset	9.52	12.10	0.00	0.00
<b>Financial assets</b>				
Investments	2326.90	1790.85	1937.85	1378.42
Other Financial Assets	52.29	127.07	112.14	44.94
Loans	0.00	0.00	0.00	50.00
Other Non Current Assets	15.64	83.24	98.48	68.60
Income Tax Asset (Net)	33.36	74.96	40.32	57.47
<b>Total Non current Assets</b>	<b>9,581.81</b>	<b>9,132.27</b>	<b>8,621.71</b>	<b>5,766.34</b>
<b>Current Assets</b>				
(a) Inventories	4184.53	4352.70	4107.34	2,933.05
<b>(b) Financial Assets</b>				
i) Investment	2756.76	2600.05	2312.66	1883.45

ii)Trade Receivables	1241.99	1263.94	1377.75	1151.81
iii)Cash and cash equivalents	92.02	276.88	535.24	211.98
(iv) Bank Balances other than (iii) above	372.31	306.47	377.73	406.36
v) Loans	7.57	11.33	60.18	3.49
vi) Other Financial Assets	405.08	154.67	105.39	1128.84
c) Other current assets	328.10	342.44	497.35	144.34
<b>Total Current Assets</b>	<b>9,388.36</b>	<b>9,308.48</b>	<b>9,373.64</b>	<b>7,863.32</b>
<b>Total Assets</b>	<b>18,970.17</b>	<b>18,440.75</b>	<b>17,995.35</b>	<b>13,629.65</b>

Other Financial Data				
Other Financial Data	Unaudited Financial Statements for the period ending September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
Dividend (%)	Nil	110	50	25
Earnings Per Share (₹)	11.5#	40.03	33.70	7.91
Return on Net worth (%)	6.31#	22.57	21.65	6.34
Book Value per share (₹)	227.50	217.23	192.33	161.74

#Not Annualized

**Note:**

The financial information set forth above has been extracted from Target Company's unaudited financial statements as on and for six months ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, audited by the statutory auditors of the Target Company for the respective periods.

17. Pre and post-offer shareholding pattern of the Target Company is provided below:

Shareholders' Category	Shareholding & voting rights prior to the acquisition and Open Offer		Equity Shares/ voting rights agreed to be acquired which has triggered the SEBI (SAST) Regulations, 2011		Equity Shares/ voting rights to be acquired in Open Offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and Open Offer (Assuming full acceptance in open offer)	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	% <sup>(4)</sup>	No.	% <sup>(4)</sup>	No.	% <sup>(4)</sup>	No.	% <sup>(4)</sup>
<b>(1) Promoter and Promoter Group</b>								
<b>a. Parties to the SPA:</b>								
Olive Speciality Services LLP <sup>(1)</sup> (Seller 1)	7,08,099	9.98	(7,08,099)	(9.98)	-	-	-	-
Viren Mirani (Seller 2)	12,66,444	17.86	(12,66,444)	(17.86)	-	-	-	-
Shefali Mirani (Seller 3)	8,21,389	11.58	(8,21,389)	(11.58)	-	-	-	-
<b>Total 1a</b>	<b>27,95,932</b>	<b>39.42</b>	<b>(27,95,932)</b>	<b>(39.42)</b>	-	-	-	-
<b>b. Promoters other than (a) above, excluding Acquirers</b>								
Divyaprabha Mirani	5,49,534	7.75	-	-	-	-	5,49,534	7.75
Chandrasinh Hansraj Mirani HUF	11,824	0.17	-	-	-	-	11,824	0.17
Jasumati Jethalal Thaker	Nil	0.00	-	-	-	-	Nil	0.00
<b>Total 1b</b>	<b>5,61,358</b>	<b>7.92</b>	-	-	-	-	<b>5,61,358</b>	<b>7.92</b>
<b>Total 1 (a+b)</b>	<b>33,57,290</b>	<b>47.34</b>	-	-	-	-		
<b>(2) Acquirers</b>								
Pioneer Jellice India Private Limited (Acquirer 1)	-	-	13,97,966	19.71	-	-	13,97,966	19.71
Ashok Matches and	-	-	13,97,966	19.71	18,43,998	26.00	32,41,964	45.71

Timber Industries Private Limited (Acquirer 2)									
<b>Total 2</b>	-	-	<b>27,95,932</b>	<b>39.42</b>	<b>18,43,998</b>	<b>26.00</b>	<b>46,39,930</b>	<b>65.42</b>	
<b>(3) Deemed PAC</b>									
Narmada Gelatines Limited <sup>(2)</sup>	10,03,000	14.14	-	-	-	-	10,03,000	14.14	
<b>(4) Parties to SPA other than (1)(a), (2) &amp; (3)</b>	-	-	-	-	-	-	-	-	
<b>(5) Public<sup>(3)(5)</sup></b>	27,32,010	38.52	-	-	(18,43,998)	(26.00)	8,88,012	12.52	
<b>Grand Total (1+2+3+4+5)</b>	<b>70,92,300</b>	<b>100.00</b>	-	-	-	-	<b>70,92,300</b>	<b>100.00</b>	

**Notes:**

- Excludes 10,00,000 (Ten Lakh) Equity Shares amounting to 14.10% (Fourteen point One zero percent) of the paid-up Equity capital of the Target Company sold by Seller 1 through Bulk deal on December 05, 2024.
  - Narmada Gelatines Limited (“NGL”), a BSE Listed entity has purchased through a bulk deal on December 05, 2024, on BSE Limited 10,03,000 (Ten Lakh Three Thousand) Equity shares representing 14.14% (Fourteen point one four percent) of the Voting Share Capital of the Target Company at a rate of ₹ 408.8637/- (“Bulk Deal”). Acquirer 1 and Acquirer 2 are the promoters of NGL and jointly hold 75% (seventy five percent) of the total voting share capital of NGL. Pursuant to the aforesaid bulk deal and as per Regulation 2(1) (q)(2) of the SEBI (SAST) Regulations, 2011, NGL will be a deemed PAC along with the acquirers for the said open offer. However, NGL vide its letter dated December 05, 2024, has confirmed that they neither intend to participate in this open Offer, directly or indirectly nor are they a party to the SPA.
  - Mr. S Annamalai and Mrs. A Rameshwari, promoters of both Acquirer 1 and Acquirer 2, hold 50 shares each in the Target Company.
  - Calculated as a percentage of the Total Voting Share Capital.
  - The number of shareholders in the “public category” as on December 13, 2024, is 7,278.
18. Pursuant to the consummation of the Underlying Transaction (as contemplated under the SPA), subject to compliance with the SEBI (SAST) Regulations, 2011 the Acquirers will acquire control over the Target Company and will become the promoters of the Target Company in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI (LODR) Regulations 2015”). Further, pursuant to the consummation of the Underlying Transaction, the Sellers are desirous that they will cease to be the Promoters of the Target Company and to be reclassified as public shareholder in accordance with the procedures contained in the SEBI (LODR) Regulations 2015.
19. As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”), the Target Company is required to maintain at least 25% (twenty five percent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of this Open Offer, the Underlying Transaction and the bulk deal transaction (as defined above), the public shareholding in the Target Company will fall below the Minimum Public Shareholding (“MPS”) requirement as per Rule 19A of SCRR read with SEBI (LODR) Regulations, 2015, and the Acquirers will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time, and in a manner acceptable to the Acquirers.
20. Acquirers have not acquired any equity shares of the Target Company after the date of PA till the date of this DLOF.
21. There have been certain instances where the stock exchange has levied fine against the Target Company under SEBI (LODR) Regulations, 2015. The details of the fines levied on the Target Company are provided below:

Competent Authority	Regulations as per SEBI (LODR) Regulations 2015	Brief Description	Fine/Penalty imposed by authority	Further Development
BSE	Regulation 44(3)	Non-submission of the voting results within the period provided under this regulation for the month of May 2024	BSE Imposed a fine of Rs. 11,800	The Company has paid Rs. 11,800 on June 17, 2024, towards the fine levied.

BSE	Regulation 29(2)/29(3)	Delay in furnishing prior intimation about the meeting of the board of directors for the month of May 2024	No fine has been levied by BSE	-
BSE	Regulation 42(2)/42(3)/42(4)/42(5)	Delay in/ nondisclosure of record date/ dividend declaration or noncompliance with ensuring the prescribed time gap between two record dates/ book closure dates for the month of May 2024	No fine has been levied by BSE	-

*Further, there are no penal actions against the promoters/directors of the Target Company under SEBI (LODR) Regulations, 2015.*

22. As per the Regulations 30(2) and 30(3) of the SEBI (SAST) Regulations, 2011, the promoter of every target company shall together with persons acting in concert with him, disclose their aggregate shareholding and voting rights as of the thirty-first day of March to every stock exchange where the shares of the target company are listed and the target company at its registered office within seven working days from the end of each financial year, further as per the proof of submission provided by the Target Company to us, we observed that the promoters of the Target Company have submitted the disclosure letters under Regulations 30(1) and 30(2) of the SEBI (SAST) Regulations, 2011 for financial year ended March 31, 2020 and March 31, 2021 to Target Company, However, in relation to intimating to the stock exchange the Target Company forwarded the said disclosures received from the promoters of the Target Company to the exchange through its email. The said submissions with respect to Regulations 30(1) and 30(2) of the SEBI (SAST) Regulations, 2011 is reflected on BSE website under SAST – Annual Disclosure TAB.
23. As per the Regulations 31(4) and 31(5) of the SEBI (SAST) Regulations, 2011, the promoter of every target company shall declare on a yearly basis that he, along with persons acting in concert, has not made any encumbrance, directly or indirectly, other than those already disclosed during the financial year within seven working days from the end of each financial year to every stock exchange where the shares of the target company are listed and the audit committee of the target company. Further as per the proof of submissions provided by the Target Company to us, we observed that the promoters of the Target Company have sent the disclosures letters under Regulation 31(4) of SEBI (SAST) Regulations, 2011 for financial year ended March 31, 2020, March 31, 2021, March 31, 2022, March 31, 2023 and March 31, 2024 to the audit committee of the Target Company, However, in relation to intimating to the stock exchange the Target Company forwarded the said disclosures received from the promoters of the Target Company to the exchange through its email. The said submission with respect to Regulation 31(4) of SEBI (SAST) Regulations, 2011 is reflected on BSE website under SAST – Disclosure 31(4) TAB for financial year ended March 31, 2022, March 31, 2023, and March 31, 2024, only.

***\* SEBI may take appropriate action against the Promoters/Promoter Group of the Target Company in terms of SEBI (SAST) Regulations, 2011 and provisions of SEBI Act for any non-compliance/delay of SEBI (SAST) Regulations, 2011.***

## VII. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### A) JUSTIFICATION FOR THE OFFER PRICE

- The Equity Shares of Target Company are presently listed only on BSE (**Script Code:** 531253 and **Script id:** INDGELA). The ISIN of Equity Shares of Target Company is INE342D01012. The marketable lot of Target Company is 1 (one).  
(Source: [www.bseindia.com](http://www.bseindia.com))
- The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the 12 (twelve) calendar months (i.e. December 01, 2023, to November 30, 2024) prior to the month of PA 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	Annualized trading turnover (as % of Equity Shares listed)
BSE	13,02,832	70,92,300	18.37

(Source: [www.bseindia.com](http://www.bseindia.com))

- Based on the information provided above, the Equity Shares of the Target Company are frequently traded on the BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.
- The Offer Price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011 being the highest of the following:

Sr. No.	Particulars	Price (in ₹ per Equity Share)
a)	The highest negotiated price per share of the Target Company for acquisition under the agreements attracting the obligations to make a public announcement of an open offer i.e., Share Purchase Agreement	₹ 408.90/-
b)	The volume-weighted average price paid or payable for acquisition, by the Acquirers, during the fifty-two weeks immediately preceding the date of PA;	Not Applicable
c)	The highest price paid or payable for any acquisition, by the Acquirers, during the twenty-six weeks immediately preceding the date of PA	Not Applicable
d)	The volume-weighted average market price of equity shares for a period of sixty trading days immediately preceding the date of the PA as traded on the BSE, being the stock exchange where the maximum volume of trading in the equity shares of the Target Company are recorded during such period	₹ 354.73/-
e)	Where the shares are not frequently traded, the price determined by the Acquirers and the Manager taking into account valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares	Not Applicable as the Equity shares of the Target Company are Frequently Traded
f)	The per equity share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, 2011, if applicable	Not applicable

- The price and volume data of the Equity Shares on BSE for a period of 60 (sixty) trading days immediately preceding the date of the PA, as per Regulation 8(2) of the SEBI (SAST) Regulations, 2011, is set forth below:

Sr.No	Date	Volume	Value in ₹	Sr.No	Date	Volume	Value in ₹
1	09-Sep-24	3,969	14,72,296	31	22-Oct-24	1,929	6,98,885
2	10-Sep-24	1,357	5,04,327	32	23-Oct-24	2,950	10,37,227
3	11-Sep-24	1,597	5,96,172	33	24-Oct-24	1,407	4,91,845
4	12-Sep-24	904	3,39,322	34	25-Oct-24	2,675	9,08,156
5	13-Sep-24	1,453	5,44,574	35	28-Oct-24	609	2,06,932
6	16-Sep-24	4,281	15,91,833	36	29-Oct-24	1,785	6,04,642
7	17-Sep-24	1,089	4,06,593	37	30-Oct-24	8,114	27,27,044

8	18-Sep-24	1,924	7,13,774	38	31-Oct-24	2,731	9,18,570
9	19-Sep-24	1,625	5,97,357	39	01-Nov-24	711	2,45,259
10	20-Sep-24	6,427	24,27,615	40	04-Nov-24	3,043	10,54,815
11	23-Sep-24	3,216	12,03,615	41	05-Nov-24	1,354	4,78,066
12	24-Sep-24	981	3,68,267	42	06-Nov-24	698	2,51,603
13	25-Sep-24	2,778	10,31,895	43	07-Nov-24	869	3,14,438
14	26-Sep-24	2,404	8,85,460	44	08-Nov-24	218	77,787
15	27-Sep-24	1,619	5,94,943	45	11-Nov-24	1,339	4,83,229
16	30-Sep-24	2,307	8,47,196	46	12-Nov-24	4,993	16,53,020
17	01-Oct-24	3,440	12,54,003	47	13-Nov-24	4,037	12,63,226
18	03-Oct-24	1,725	6,29,747	48	14-Nov-24	333	1,05,193
19	04-Oct-24	4,303	15,57,051	49	18-Nov-24	1,148	3,63,440
20	07-Oct-24	6,269	22,09,341	50	19-Nov-24	1,247	3,96,883
21	08-Oct-24	2,057	7,28,758	51	21-Nov-24	923	2,90,047
22	09-Oct-24	878	3,13,628	52	22-Nov-24	2,033	6,34,580
23	10-Oct-24	825	2,96,422	53	25-Nov-24	3,518	11,03,515
24	11-Oct-24	1,718	6,12,095	54	26-Nov-24	376	1,19,456
25	14-Oct-24	3,703	13,09,993	55	27-Nov-24	1,956	6,40,223
26	15-Oct-24	2,756	10,10,236	56	28-Nov-24	1,932	6,42,557
27	16-Oct-24	2,676	9,69,692	57	29-Nov-24	576	1,91,392
28	17-Oct-24	1,882	6,79,781	58	02-Dec-24	1,945	6,56,878
29	18-Oct-24	857	3,10,113	59	03-Dec-24	8,227	29,03,706
30	21-Oct-24	3,142	11,37,781	60	04-Dec-24	14,577	54,59,533
						<b>1,52,415</b>	<b>5,40,66,027</b>
						<b>Value Per Share</b>	<b>₹ 354.73</b>

(Sources : [www.bseindia.com](http://www.bseindia.com))

6. In view of the above parameters considered and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹ 408.90/- (Rupees Four Hundred and Eight and Paise Ninety Only) per equity share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.
7. The Offer Price is higher than the highest of the amounts specified in table above i.e. ₹ 354.73/- (Rupees Three hundred fifty-four and seventy-three paise only) per Equity shares. Accordingly, the offer price is justified in terms of SEBI SAST Regulation, 2011.
8. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011.
9. There has been no revision in the Offer Price or to the size of this Offer as on the date of this DLOF.
10. An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 1 (one) working day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. In the event of such revision, the Acquirers shall (i) make corresponding increases to the escrow amounts, as more particularly set out in part V of this DPS; (ii) make a public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE, and the Target Company at its registered office of such revision.
11. In the event of acquisition of the Equity Shares by the Acquirers during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. As per the proviso to Regulation 8(8) of the SEBI (SAST) Regulations, 2011, the Acquirer(s) shall not acquire any Equity Shares after the 3<sup>rd</sup> (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
12. If the Acquirers acquire Equity Shares of the Target Company during the period of 26 (twenty six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer(s) shall pay the difference between the highest acquisition price and the Offer Price to all the Public Shareholders

whose Equity Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition.

## **B) FINANCIAL ARRANGEMENTS**

1. The total consideration for the Open Offer, assuming full acceptance, i.e. for the acquisition of 18,43,998 (Eighteen Lakhs Forty Three Thousands Nine Hundreds and Ninety Eight) Equity Shares, at the Offer Price of ₹ 408.90/- (Rupees Four Hundreds and Eight and Paise Ninety Only) per Equity Share of Rs.10/- (Rupees Ten Only) aggregating to ₹ 75,40,10,782.20/- (Rupees Seventy Five Crores Forty Lakhs Ten Thousand Seven Hundred Eighty Two and Paise Twenty Only) (**“Offer Consideration”**).
2. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, 2011, the Acquirers have opened an escrow cash account bearing Account No: 000405161707 (**“Escrow Cash Account”**) with ICICI Bank Limited, a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, 390007, Gujarat, and acting through its branch situated at ICICI Bank Limited, Capital Market Division, 163, 5th Floor, H. T. Parekh Marg, Backbay Reclamation, Church gate, Mumbai-400020 and made a cash deposit of ₹ 75,40,10,783 (Rupees Seventy Five Crore Forty Lakh Ten Thousand Seven Hundred and Eighty Three only) in the Escrow Cash Account, being 100% (one hundred percent) of the offer consideration payable to the Public under this offer. The cash deposit has been confirmed by the Escrow Agent vide its letter dated December 07, 2024. Further the fixed deposit has been created against the aforesaid escrow amount and a lien has been marked in favor of the Manager to the offer on the said fixed deposit.
3. The Manager to the Open Offer is duly authorized and empowered to realize the value of the Escrow Cash Account in terms of SEBI (SAST) Regulations, 2011.
4. The Acquirers have deposited the entire consideration payable to the public shareholders under this Offer. Accordingly, the Acquirers have confirmed that they have adequate financial resources to meet their obligations under the Open Offer and have made firm financial arrangements for financing the acquisition of the Offer Shares, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011.
5. Based on the above, Saffron Capital Advisors Private Limited, Manager to the Open Offer, is satisfied that firm arrangements have been put in place by the Acquirers to implement the Open Offer in full accordance with the SEBI (SAST) Regulations, 2011.
6. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow amounts shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirers, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

## **VIII. TERMS AND CONDITIONS OF THE OFFER**

1. The Tendering Period will commence on Tuesday, January 28, 2025, and will close on Monday, February 10, 2025.
2. The Equity Shares offered under this Offer should be free from all lien, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.
3. This is not a Conditional Offer and there is no stipulation on any minimum level of acceptance.
4. The Identified Date for this Offer is Tuesday, January 14, 2025. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer.
5. The Target Company has signed agreements with Depositories for offering Shares in dematerialized form. The ISIN Number is **INE342D01012**. (Source: [www.bseindia.com](http://www.bseindia.com))
6. The Marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1(one). (Source: [www.bseindia.com](http://www.bseindia.com))



7. None of the Equity Shares of the Target Company are subject to any lock-in.
8. Locked-in Equity Shares, if any, may be tendered in the Open Offer and transferred to the Acquirers subject to the continuation of the residual lock-in period in the hands of the Acquirer, as may be permitted under applicable law. It is the sole responsibility of the seller to ensure that the locked-in Equity Shares are free from lock-in before such transfer to Acquirers. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.
9. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011, the Public Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
10. The Acquirers, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
11. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of closure of the Tendering Period.

#### **A) ELIGIBILITY FOR ACCEPTING THE OFFER**

1. The Letter of Offer shall be mailed to all Eligible Shareholders/Beneficial Owners (except the Acquirers and the Promoters) whose names appear in register of Target Company as on Tuesday January 14, 2025, the Identified Date.
2. This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
3. The Public Shareholders who have registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through electronic means. If Public Shareholders who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the Letter of Offer by stating such Shareholder's name, address, number of Equity Shares held on Identified Date, client ID number, DP name / ID, beneficiary account number and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Public Shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.
4. All Public Shareholders holding the shares in dematerialized form are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date ("**Tendering Period**") for this Open Offer. Further, 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, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, and BSE notice no 20200528-32 dated 28 May 2020, the shareholders holding securities in physical form are allowed to tender shares in the open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance will also be available on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in). In case of the non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, or the Form of Acceptance from the SEBI's website.
5. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity Shares are clear from all lien, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, together with all the rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof and in accordance with the terms and conditions set forth in the PA, the DPS, the DLOF and as will be set out in the Letter of Offer, and the tendering of Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.

6. The acceptance of this Offer by the Eligible Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
7. The acceptance of this Offer is entirely at the discretion of the Eligible Shareholder(s)/Beneficial owner(s) of Target Company.
8. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.
9. The Acquirers reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations, 2011 and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Letter of Offer.
10. For any assistance, please contact the Manager to the Offer or the Registrar to the Offer.

## **B) STATUTORY AND OTHER APPROVALS**

1. As on the date of DLOF, there are no statutory approvals required by the Acquirers to complete the Underlying Transaction and this Open Offer. However, in case of any such statutory approvals are required by the Acquirer at a later date before the expiry of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.
2. All Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals/consents required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI held by them), in the Offer and submit such approvals, along with the other documents required to accept this Offer. If the holders of the Equity Shares who are persons resident outside India (including OCBs, FIIs/FPIs and NRIs) has required are had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them. Further, such non-resident holders of the Equity Shares, if any, must also obtain all requisite approvals/exemptions required (including without limitation, the approval from the RBI), if any, to tender the Equity Shares held by them in this Offer and submit such approvals/exemptions along with the documents required to accept this Offer. If the aforementioned documents are not submitted, the Acquirers reserves the right to reject such Equity Shares tendered in this Offer. The Shareholders should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
3. Where any statutory or other approval extends to some but not all of the Shareholders, the Acquirers shall have the option to make payment to such Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
4. Subject to the receipt of the statutory and other approvals, if any, the Acquirers shall complete payment of consideration within 10 (ten) Working Days from the closure of the Tendering Period to those Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirers.
5. In case of delay/non-receipt of any statutory and other approvals, if any, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that the non-receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers to the Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulations 18(11) and 18(11A) of the SEBI (SAST) Regulations, 2011.
6. In terms of Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event that the approvals specified in paragraph VIII (B) (Statutory and Other Approvals) of this DLOF or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the

reasonable control of the Acquirer, then the Acquirer shall have the right to withdraw the Open Offer. The following conditions under which the Acquirers can withdraw the Open Offer, as provided in Regulation 23(1) of the SEBI (SAST) Regulations, 2011 are:

- (i) statutory approvals required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the letter of offer;
- (ii) the acquirer, being a natural person, has died;
- (iii) any condition stipulated in the agreement for acquisition attracting the obligation to make the open offer is not met for reasons outside the reasonable control of the acquirer, and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the letter of offer, provided that an acquirer shall not withdraw an open offer pursuant to a public announcement made under clause (g) of sub-regulation (2) of regulation 13, even if the proposed acquisition through the preferential issue is not successful.; or
- (iv) such circumstances as in the opinion of the Board, merit withdrawal.

In the event of such a withdrawal of the Open Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to BSE, SEBI and the Target Company at its registered office.

## **IX. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER**

1. All the Public Shareholders, registered or unregistered, holding the shares in dematerialized form or physical form, are eligible to participate in this Open Offer at any time during the Tendering Period for this Open Offer. Please refer to Paragraph 2 below for details in relation to tendering of Offer Shares held in physical form.
2. As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and SEBI's press release dated December 3, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 01, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations, 2011.
3. The Shareholders who wish to offer their physical Equity Shares in the Offer are requested to send their original documents as will be mentioned in the LOF to the Registrar to the Offer so as to reach them no later than the Offer Closing Date. It is advisable to first email scanned copies of the original documents as will be mentioned in the DLOF to the Registrar to the Offer and then send physical copies to the address of the Registrar to the Offer as will be provided in the LOF. The process for tendering the Offer Shares by the Public Shareholders holding physical Equity Shares will be separately enumerated in the DLOF.
4. The 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 i.e., the date falling on the 10<sup>th</sup> (tenth) Working Day prior to the commencement of Tendering Period, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer. Accidental omission to send the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way.
5. The Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism made available by BSE Limited (BSE) in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.
6. BSE shall be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
7. The Registrar to the Offer would be accepting the documents by Hand delivery/Registered Post/Speed Post/Courier at the following specified center:

Name and Address of the entities (registrar) to whom the shares should be sent including name of the contact person, telephone no., fax no. and email address etc.	Working days and timings	Mode of delivery
<b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. <b>Tel. No.:</b> +91 810 811 4949 <b>Fax:</b> +91 22 49186060 <b>Email id:</b> indiagelatine.offer@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>SEBI Registration No.:</b> INR000004058 <b>Validity:</b> Permanent <b>Contact Person:</b> Ms. Pradnya Karanjekar	Any working day (i.e., Monday to Friday and not being a bank holiday) between 10:30 a.m. to 5:00 p.m.	Hand Delivery/ Registered Post/Speed Post /Courier

8. The Acquirers have appointed Choice Equity Broking Private Limited as their broker for the Open Offer (“**Buying Broker**”) through whom the purchases and the settlement of the Open Offer shall be made during the Tendering Period. The contact details of the Buying Broker are as mentioned below:

<b>Name</b>	Choice Equity Broking Private Limited
<b>Address</b>	Sunil Patodia Tower, J B Nagar, Andheri (East), Mumbai-400099, Maharashtra, India;
<b>Contact Person:</b>	Mr. Jeetender Joshi (Senior Manager)
<b>Telephone</b>	022-67079832
<b>E-mail id</b>	jeetender.joshi@choiceindia.com
<b>Website</b>	www.choiceindia.com
<b>Investor Grievance Email id</b>	ig@choiceindia.com
<b>SEBI Registration No.</b>	INZ000160131

In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stockbroker, then that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“**UCC**”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case the Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stockbroker then the Public Shareholder may approach Buying Broker viz. Choice Equity Broking Private Limited, to bid by using quick UCC facility.

9. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by such Public Shareholders on a proportionate basis in consultation with the Manager to the Open Offer
10. The Equity Shareholders will have to ensure that they keep a demat account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.
11. All the shareholders who desire to tender their Equity Shares under the Open Offer would have to intimate their respective stockbroker (“**Selling Broker**”) during the normal trading hours of the secondary market during the Tendering Period. Upon placing the bid, the Selling Broker(s) shall provide the Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the shareholder. The TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
12. A separate Acquisition Window will be provided by BSE to facilitate the placing of orders. The Selling Broker can enter orders for physical and dematerialised Equity Shares. During the Tendering Period, the bid for selling the Equity Shares will be placed in the Acquisition Window by Public Shareholders through their respective Selling Broker during normal trading hours of the secondary market. The Buying Broker may also act as Selling Broker for Public Shareholders.
13. The cumulative quantity tendered shall be displayed on the Designated Stock Exchange’s website ([www.bseindia.com](http://www.bseindia.com)) throughout the trading session at specific intervals by Designated Stock Exchange during the Tendering Period.
14. The modification/cancellation of orders will not be allowed during the Tendering Period of the Open Offer.

15. The details of the settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the Offer Opening Date.
16. The Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant).
17. Equity Shareholders who wish to bid /offer their physical shares in the Offer are requested to send their original documents as mentioned in the LOF to the Registrar to the Offer so as to reach them within 2 (two) days from closure of the Tendering Period. It is advisable to email scanned copies of the original documents mentioned in the LOF, first to the Registrar to the Offer then send physical copies to the Registrar's address as provided in the LOF.
18. Equity Shares should not be submitted / tendered to the Manager, the Acquirer or the Target Company.

**Procedure for tendering Equity Shares held in dematerialised form.**

1. The Public Shareholders who are holding Equity Shares in dematerialized form and who desire to tender their Equity Shares in dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer. The Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
2. The Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant)
3. In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stock broker, that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. The Public Shareholder approaching BSE registered stock broker (with whom it does not have an account) may have to submit following details:

**In case of Shareholder being an individual**

(a) If Shareholder is registered with KYC Registration Agency (“KRA”): Forms required:

- i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable
- ii. Know Your Client (KYC) form Documents required (all documents self-attested):  
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

**If Shareholder is not registered with KRA: Forms required:**

- i. CKYC form including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. KYC form Documents required (all documents self-attested):  
PAN card copy  
Address proof  
Bank details (cancelled cheque)
- iv. Demat details (Demat master /Latest Demat statement)

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

**In case of Shareholder is HUF:**

(a) If Shareholder is registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KYC form documents required (all documents self-attested):  
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

(b) If Shareholder is not registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. Knows

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

**In case of Shareholder other than Individual and HUF:**

- (a) If Shareholder is KRA registered: Form required
- i. Know Your Client (KYC) form Documents required (all documents certified true copy)  
Bank details (cancelled cheque)
  - ii. Demat details (Demat master /Latest Demat statement)
  - iii. FATCA, IPV, OSV if applicable
  - iv. Latest list of directors/authorized signatories/partners/trustees
  - v. Latest shareholding pattern
  - vi. Board resolution
  - vii. Details of ultimate beneficial owner along with PAN card and address proof
  - viii. Last 2 years financial statements

**If Shareholder is not KRA registered: Forms required:**

- i. KRA form
- ii. Know Your Client (KYC) form Documents required (all documents certified true copy):  
PAN card copy of company/ firm/trust  
Address proof of company/ firm/trust  
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorized signatories /partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration
- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. MOA/Partnership deed /trust deed

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

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

4. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of BSE. Before placing the order/bid, the Public Shareholder would be required to make early pay-in as per the mechanism prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker. As provided under the SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the Public Shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the annexure to the said circular. All other procedures shall remain unchanged. The shareholders are advised to refer to the above circular of SEBI for the placing of orders.
5. Upon placing the order, the Selling Broker shall provide TRS generated by the Stock Exchange bidding system to the holder of the Equity shares. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered etc.
6. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
7. Eligible Shareholders shall submit Delivery Instruction Slips (“DIS”) duly filled in specifying market type as “Open Offer” and execution date along with all other details to their respective depository participant / Selling Broker so that Equity Shares can be tendered in this Offer.

8. The Eligible Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.
9. **The Eligible Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement.** The Eligible Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of the Offer Period.
10. The details of the settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchange / Clearing Corporation, before the opening of the Offer.
11. The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
12. Modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.
13. The reporting requirements for non-resident shareholders under the Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Public Shareholder and/ or their Selling Broker.

#### **Procedure for tendering Equity Shares held in Physical form.**

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, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Eligible Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Broker and submit complete set of documents for verification procedure as mentioned below:
  - a. Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
  - b. Original share certificate(s).
  - c. Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
  - d. Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
  - e. Attestation of signature(s) of all the holder(s) by Bankers in form ISR-2 (can be downloaded online [https://www.sebi.gov.in/sebi\\_data/commondocs/nov-2021/Form%20ISR-2\\_p.pdf](https://www.sebi.gov.in/sebi_data/commondocs/nov-2021/Form%20ISR-2_p.pdf))
  - f. Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature); and

In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the ‘Register of Members’ of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar card, (ii) voter identity card; or (iii) passport.

2. Based on these documents, the Selling Broker shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the BSE bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, share certificate number, distinctive number of Equity Shares tendered etc.
3. After placement of the order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post / speed post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page within 2 (two) days of bidding by the Selling Broker and not later than 2 (two) days from the Offer Closing Date (by 5

PM IST). The envelope should be superscribed as “**INDIA GELATINE AND CHEMICALS LIMITED - OPEN OFFER**”. One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

4. The Public Shareholders holding shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the shares by the Acquirer shall be subject to verification of documents. The Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and until such time as the BSE shall display such orders as ‘unconfirmed ‘physical bids’. Once the Registrar to the Offer confirms the orders it will be treated as ‘confirmed bids’. Orders of Public Shareholders whose original share certificate(s) and other documents along with TRS are not received by the Registrar to the Offer 2 (Two) days after the Offer Closing Date shall be liable to get rejected.
5. In case any person has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before Offer Closing Date. i.e. Monday, February 10, 2025 or else their application will be rejected.
6. All the documents mentioned above shall be enclosed with the Form of Acceptance, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company’s equity share certificate(s) enclosed with the Form of Acceptance instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company / registrar of the Target Company and/or form ISR2 is not submitted.
7. **The Eligible Shareholders holding Equity Shares in physical mode will be required to fill the respective Forms of Acceptance cum Acknowledgment.** The Eligible Shareholders holding Equity Shares in physical mode will be sent the respective Form of Acceptance cum Acknowledgment along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance cum Acknowledgment.

#### **Acceptance of Equity Shares**

- a) The registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- b) In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares offered, 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 nonmarketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
- c) SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, in consultation with Depositories, Clearing Corporations and Stock Exchanges, it has been decided that a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the Annexure. All other procedures shall remain unchanged.
- d) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

#### **Procedure for tendering the Equity Shares in case of non-receipt of Draft Letter of Offer**



1. Eligible Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date i.e. Tuesday, January 11, 2025, 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.
2. **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum Acknowledgment.
3. The LOF along with a Form of Acceptance, will be dispatched to all the Public Shareholders of the Target Company (through electronic mode or physical mode), whose names appear on the register of members of the Target Company and to the beneficial owners of the Target Company in dematerialized form or physical form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date i.e. Tuesday, January 11, 2025 to the Offer.
4. **In case the Equity Shares are in Physical form:** An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in this Letter of Offer) should reach the Registrar of the Company within 2 (two) days from the Closing Date..
5. **In case of non-receipt of the Letter of Offer, such Eligible Shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.** The Letter of Offer along with the Form of Acceptance cum Acknowledgment (FOA) would also be available at SEBI's website, ([www.sebi.gov.in](http://www.sebi.gov.in)), and Eligible Shareholders can also apply by downloading such forms from the said website.
6. Alternatively, in case of non-receipt of the LOF, the Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all Shareholder(s), stating name, address, number of shares held, client identification number, depository participant name, depository participant identification number, number of shares tendered, and other relevant documents as mentioned. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by the Stock Exchange before the closure of the Tendering Period.

#### **Settlement Process**

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 of accepted Equity Shares tendered in this Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of the Equity Shares transferred to the Clearing Corporation.
2. The settlement of trades will be carried out in a manner similar to settlement of trades in the Acquisition Window Circulars.
3. The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Eligible Shareholders will receive funds payout directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, if the pay-outs are rejected by the Eligible Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Eligible Shareholders. The Eligible Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
4. The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
5. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the Equity Shares tendered under the Offer.

6. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned to the Equity Shareholders directly by the Registrar.
7. The direct credit of Equity Shares will be given to the demat account of Acquirer as indicated by the Buying Broker.
8. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.
9. Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.
10. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer.
11. In the event of partial or non-acceptance of orders the balance demat Equity Shares will be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares will be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
12. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Shareholders'/ unregistered owners' sole risk to the sole/ first Shareholder/ unregistered owner. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in an event the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form.
13. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
14. If Public Shareholders' bank account details are not available or if the fund transfer instruction is rejected by the RBI or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Eligible Shareholder.
15. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
16. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

## **X. NOTE ON TAXATION**

**THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE IT ACT (AS AMENDED BY FINANCE ACT, 2024) AND THE REGULATIONS THEREUNDER.**

**THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.**

**THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS.**

**THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.**

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

**THE ACQUIRERS DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.**

**THE SUMMARY ON TAX CONSIDERATIONS IN THIS SECTION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES. THE LAW STATED BELOW IS AS PER THE IT ACT.**

### **GENERAL**

- a) As the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to STT. STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.
- b) 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 IT Act.
- c) 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 is received or deemed to be received or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.

- d) Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- e) Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the MLI as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of GAAR and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- f) The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- g) The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.
- h) The summary of income-tax implications on tendering of listed Equity Shares on the recognised stock exchange in India is set out in the succeeding paras. All references to Equity Shares herein refer to listed Equity Shares unless stated otherwise.

#### **Classification of Shareholders**

Public Shareholders can be classified under the following categories:

##### **Resident Shareholders being:**

- 1. Individuals, Hindu Undivided Family ("**HUF**"), Association of Persons ("**AOP**") and Body of Individuals ("**BOI**")
- 2. Others
  - a. Company
  - b. Other than company

##### **Non-Resident Shareholders being:**

- 1. Non-Resident Indians ("**NRIs**")
- 2. Foreign Institution Investors (FIIs)/ Foreign Portfolio Investors (FPIs)
- 3. Others:
  - a. Company
  - b. Other than company

#### **Classification of Shares:**

Shares can be classified under the following two categories:

- a) Shares held as investment (Income from transfer of such shares taxable under the head "**Capital Gains**")
- b) Shares held as stock-in-trade (Income from transfer of such shares taxable under the head "Profits and Gains from Business or Profession"). As per the current provisions of the IT Act, unless specifically exempted, gains arising from the transfer of shares may be treated either as "Capital Gains" or as "Business Income" for income-tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e., stock-in-trade). Shareholders may also refer to Circular No.6/2016 dated February 29, 2016 issued by the Central Board of Direct Taxes (CBDT) in this regard.

**Shares held as investment:** As per the provisions of the IT Act, where the shares are held as investments (i.e., capital asset), income arising from the transfer of such shares is taxable under the head "Capital Gains".

Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.

Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.

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

a) In respect of Equity Shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“**STCG**”).

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

#### **Tendering of Shares in the Offer through a Recognized Stock Exchange in India:**

Where a transaction for transfer of such Equity Shares (i.e., acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to STT, then the taxability will be as under (for all categories of shareholders):

- a) As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding 1,25,000 (Rupees one lakh Twenty Five Thousand) will be taxed at a rate of 12.5% (twelve point five) percent without allowing benefit of indexation for resident shareholders and at a rate of 12.5% (twelve point five) percent without allowing benefit of indexation and foreign exchange fluctuation for non-resident shareholders, provided the same has been subjected to STT, upon acquisition and sale.

If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 1, 2018 in order to get benefit of taxation at 10% (ten percent) under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.

- b) LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018 as per Section 55 of IT Act.

For computing capital gains under the grandfathering regime, 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 as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.

- c) LTCG, as computed u/s. 112A, will not be liable to tax to the extent not exceeding ₹ 1,25,000 (Rupees One lakh Twenty Five Thousand only).
- d) Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):
- i. LTCG will be chargeable to tax at the rate of 20% (plus applicable surcharge and health and education cess) or 12.5% (plus applicable surcharge and health and education cess) without allowing benefit of indexation, in the case of a non-resident Public Shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
  - ii. In the case of FIIs/FPIs, LTCG would be taxable at 12.5% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
  - iii. For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 12.5% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost shall not be available.
  - iv. For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 12.5% (plus applicable surcharge and health and education cess) without indexation. Further, in case of resident Individual or HUF, the

benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG.

- v. Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.
- e) As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 20% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- f) In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
- g) Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 20%.
- h) As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- i) Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under the relevant DTAA read with MLI as may be in effect, and non-applicability of GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.
- j) As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

### **Investment Funds**

Under Section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head "Profits and gains of business or profession" would be exempt from income-tax on fulfilment of certain conditions specified therein. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

### **Mutual Funds**

Under Section 10(23D) of the IT Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorised by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

### **Shares held as Stock-in-Trade:**

- a) If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession."
- b) Resident Shareholders
  - i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
  - ii. Domestic companies having turnover or gross receipts not exceeding ₹ 400 crores in the relevant financial year as prescribed will be taxable @ 25%.
  - iii. Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
  - iv. For persons other than stated above, profits will be taxable @ 30%.
  - v. No benefit of indexation by virtue of period of holding will be available in any case

### **Profits of:**

- c) Non-Resident Shareholders: Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including non-applicability of

GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

- d) Where DTAA provisions are not applicable: i. No benefit of indexation by virtue of period of holding will be available in any case.  
ii. For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.  
iii. For foreign companies, profits would be taxed in India @ 40%.  
iv. For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, surcharge and health and education cess are leviable for resident and non-resident shareholders.

e) **Other Matters:** Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analysed depending on the facts of each case.

### **Tax Deduction at Source**

a) Resident Shareholders: In absence of any specific provision under the IT Act, the Acquirer is not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.

b) Non-Resident Shareholders:

i. In case of FIIs: Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs/FPIs, subject to fulfilment of the following conditions:

#### **ii. In case of non-resident tax payer (other than FIIs):**

- FIIs/FPIs furnishing the copy of the registration certificate issued by SEBI (including for subaccount of FII/FPI, if any);
- FIIs/FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations and will be liable to pay tax on their income as per the provisions of the IT Act.
- If the above conditions are not satisfied, FIIs/FPIs may submit a valid and effective certificate for deduction of tax at a nil/lower rate issued by the income tax authorities under the IT Act ("TDC"), along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer shall deduct tax in accordance with such TDC.

#### **In case of non-resident tax payer (other than FIIs):**

Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA and MLI, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.

However, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident shareholders.

Since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirer believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute

such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate. The non-resident shareholders must file their tax return in India inter-alia considering gains arising pursuant to this Offer in consultation with their tax advisors.

In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

**Remittance/Payment of Interest:**

a) In case of interest, if any, paid by the Acquirer to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorization of the interest, whether as capital gains or as other income). In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.

b) The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

**Rate of Surcharge and Cess:**

As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable. Summary of the same is provided below:

**Surcharge:**

**i. In case of domestic companies:**

Surcharge @ 12% is leviable where the total income exceeds ₹ 10 crore and @ 7% where the total income exceeds ₹ 1 crore but less than ₹ 10 crore for companies not opting for tax regime u/s. 115BAA and 115BAB.

In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable

**ii. In case of companies other than domestic companies:**

Surcharge @ 5% is leviable where the total income exceeds ₹ 10 crores.

Surcharge @ 2% where the total income exceeds ₹ 1 crore but less than ₹ 10 crores

**iii. In case of individuals, HUF, AOP, BOI:**

Surcharge at the rate of 10% is leviable where the total income exceeds ₹ 50 lakhs but does not exceed ₹ 1 crore.

Surcharge at the rate of 15% is leviable where the total income exceeds ₹ 1 crore but does not exceed ₹ 2 crores.

Surcharge at the rate of 25% is leviable where the total income exceeds ₹ 2 crores but does not exceed ₹ 5 crores.

Surcharge at the rate of 37% is leviable where the total income exceeds ₹ 5 crores.

However, for the purpose of income chargeable under section 111A, 112, 112A and 115AD(1)(b) (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%.

**In case of Firm and Local Authority:** Surcharge @12% is leviable where the total income exceeds ₹ 1 crore.

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

**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 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, SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.**

Note: The CBDT has vide Notification No. 9/2014 dated January 22, 2014 notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.

**XI. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection to the Shareholders at the office of the Manager to the Offer at Centre Point, 605, 6th Floor, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai- 400059 and also electronically (*as mentioned below*) on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Offer until the closure of this Offer.

The Public Shareholders interested to inspect any of the following documents can send an email from their registered email ids (including shareholding details and authority letter in the event the Public Shareholder is a corporate body) with a subject line [**“Documents for Inspection –INDIA GELATINE AND CHEMICALS LIMITED Open Offer”**], to the Manager to the Open Offer at [openoffers@saffronadvisor.com](mailto:openoffers@saffronadvisor.com); and upon receipt and processing of the received request, access can be provided to the respective Public Shareholders for electronic inspection of documents.

1. Certificate of Incorporation, Memorandum and Articles of Association of Target Company.
2. Copy of the Networth of Acquirer 1 as on September 30, 2024, is ₹ 23,325.68/- lakhs only (Rupees Twenty Three Thousand Three Hundred Twenty Five Lakhs and Sixty Eight Thousand Only) and the same is certified through its partner Mr. P.S. Narasimhan, (Membership No. 020936) by M/s. Jagannathan & Sarabeswaran, Chartered Accountants, (Firm Registration Number. 001204S), having office at, 4/9, 1st Floor, 2<sup>nd</sup> Cross Street, Seethammal Colony, Alwarpet, Chennai - 600018.; Email id: jandsca@gmail.com; vide certificate dated December 03, 2024, bearing Unique Document Identification Number (UDIN) – 24020936BKDFPU8247.
3. Copy of the Networth of Acquirer 2 as on September 30, 2024, is ₹ 25,150/- lakhs only (Rupees Twenty Five Thousand One Hundred and Fifty Lakhs Only) and the same is certified through its partner Mr. P.S. Narasimhan, (Membership No. 020936) by M/S Jagannathan & Sarabeswaran, Chartered Accountants, Firm registration Number. 001204S), having office at 4/9, 1st Floor, 2<sup>nd</sup> cross street, Seethammal Colony, Alwarpet, Chennai - 600018.; Email id: jandsca@gmail.com; vide certificate dated December 02, 2024, bearing Unique Document Identification Number (UDIN) – 24020936BKDFPT1234.
4. Copies of annual reports of the Target Company for the financial years ending March 31, 2024, March 31, 2023, and March 31, 2022.
5. Audited financial statements of Target Company for the half year period ended September 30,2024.
6. Audited financial statements of Acquirer 1 and Acquirer 2 as on and for 6 (six) months ended September 30,2024 and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, audited by the statutory auditors of the Target Company for the respective periods.
7. Copy of Escrow Agreement dated December 07, 2024, between the Acquirers, Manager to the Offer and Escrow Bank.
8. Copy of letter dated December 07, 2024, from the Escrow Bank, confirming the amount kept in the Escrow Account and a lien in favour of the Manager to the offer.
9. Copy of Share Purchase Agreement dated December 05, 2024, executed between the Acquirers and Sellers and the Target Company which triggered the Open Offer.
10. Copy of Public Announcement dated December 05, 2024, published copy of the Detailed Public Statement dated December 12, 2024.

11. Observation letter bearing reference number [●] dated [●] received from SEBI.
12. Copy of the recommendation made by the Target Company's committee of independent directors constituted by the Board of Directors published in the newspapers;

## XII. DECLARATION BY THE ACQUIRERS

For the purpose of disclosures in this Letter of Offer relating to the Target Company the Acquirers have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations. The Acquirers shall be responsible for ensuring compliance with the SEBI (SAST) Regulations, 2011 and for their obligations as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereto.

### ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRERS

ACQUIRER 1	ACQUIRER 2
<p><b>Pioneer Jellice India Private Limited</b>  <b>Address:</b> 23, Vallabhai Road, Chokkikulam,            Madurai – 625002, Tamil Nadu, India  <b>Contact Person:</b> Mr. K. Shrinivas;  <b>Email Id:</b> <a href="mailto:pjimdu@pioneerjellice.com">pjimdu@pioneerjellice.com</a>            Sd/-</p>	<p><b>Ashok Matches and Timber Industries Private Limited</b>  <b>Address:</b> Boopathy Buildings, 17-A,            Virudhunagar Road, Sivakasi - 626 123, Tamil Nadu, India  <b>Contact Person:</b> Mrs. T.S. Jwala;  <b>Email Id:</b> <a href="mailto:amti@pioneerasia.com">amti@pioneerasia.com</a>            Sd/-</p>

**Place:** Mumbai

**Date:** December 19, 2024