

April 17, 2017

To,
Corporate Relations
BSE Limited
P. J. Towers, Dalal Street
Mumbai- 400 001

Dear Sir/Madam,

Sub.: Open offer by Priyanka Finance Private Limited (“Acquirer”) alongwith Mr. Vijay Choraria being the person acting in concert with the Acquirer (“PAC”), to the public shareholders of Transchem Limited (“Target Company”) for acquisition of 31,82,400 equity shares of face value of Rs. 10/- each at a price of Rs. 25/- per fully paid up equity share pursuant to Regulations 3(1), 4 and other applicable provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amendment (“Takeover Regulations”) (“Open Offer”).

This has reference to the captioned Open Offer and our letters dated March 31, 2017 and April 8, 2017 for submission of Public Announcement and Detailed Public Statement, respectively.

In terms of Regulation 18(1) of Takeover Regulations, please find enclosed the following:

- ✓ Hard copy of Draft Letter of Offer
- ✓ Soft copy of Draft Letter of Offer on a compact disc in a pdf format.

The final Letter of Offer to be issued to the public shareholders of the Target Company is subject to the approval of Securities and Exchange Board of India.

Yours faithfully

For Inga Capital Private Limited

K. R. Shah

Name: Kavita Shah
Designation: Director



Encl: As above.

005998

DRAFT LETTER OF OFFER

“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

This Letter of Offer is sent to you as a shareholder(s) of Transchem Limited (“Target Company”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer / Registrar to the Offer. In case you have recently sold your equity shares in the Target Company, please hand over the Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Form (Form SH-4) to the member of stock exchange through whom the said sale was effected.

Open Offer by

PRIYANKA FINANCE PRIVATE LIMITED (“Acquirer”)

Registered Office: Mashkur Building No.1, Krishnama Road, Nungambakkam, Chennai – 600 034;
Tel. No.: +91-22-4334 7000; **Fax No.:** +91-22-4334 7002; **CIN:** U65191TN1989PTC016994.

ALONGWITH

MR. VIJAY CHORARIA (“PAC”) in his capacity as the person acting in concert with the Acquirer
Residing at: Choraria House, 5, Pali Hill, Bandra (West), Mumbai – 400 050, **Tel. No.:** +91-22-4334 7000
to acquire 31,82,400 (Thirty One Lakh Eighty Two Thousand Four Hundred) fully paid-up equity shares of ₹10/- each representing 26% of fully paid-up equity share capital and voting capital of

TRANSCHEM LIMITED (“Target Company”)

Registered Office: 304, Ganatra Estate Pokhran, Road No.1, Khopat, Thane – 400 601;
Tel. No.: +91-22-2547 7077; **Fax No.:** +91-22-2547 8601; **CIN:** L24100MH1976PLC019327.

at a price of ₹25/- (Rupees Twenty Five Only) per fully paid-up equity share payable in cash pursuant to Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**SEBI (SAST) Regulations, 2011**”)

1. This Open Offer is being made by the Acquirer alongwith the PAC pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and voting rights accompanied by change in control over management of the Target Company.
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of SEBI (SAST) Regulations, 2011.
3. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
4. As on the date of this Draft Letter of Offer, to the best knowledge of the Acquirer and PAC, there are no statutory approval(s) required to acquire Equity Shares that are validly tendered pursuant to this Open Offer. However, the Open Offer would be subject to all statutory approval(s) as may be required and/or may subsequently become necessary to acquire at any later date.
5. If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. any time up to May 22, 2017 in terms of Regulation 18 (4) SEBI (SAST) Regulations, 2011, the same would be informed by way of an announcement in the same newspapers where the Detailed Public Statement was published. Such revised price would be payable for all the Equity Shares validly tendered and accepted under the Open Offer. If the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the Detailed Public Statement was published.
6. **There is no Competing Offer as on the date of this Draft Letter of Offer.**
7. A copy of Public Announcement, Detailed Public Statement, Draft Letter of Offer and Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will be available on the website of Securities and Exchange Board of India (“**SEBI**”) i.e. 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:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 Inga Capital Private Limited Naman Midtown, ‘A’ Wing, 21 st Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400 013; Tel. No.: +91-22-4031 3489; Fax No.: +91-22-4031 3379; Email: transchem.openoffer@ingacapital.com ; Contact Person: Ashwani Tandon	 Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083; Tel No.: +91-22-4918 6200; Fax No.: +91-22-4918 6195; Email: transchem.offer@linkintime.co.in ; Contact Person: Sumeet Deshpande

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Date	Day
Issue of PA	March 31, 2017	Friday
Publication of DPS in newspapers	April 8, 2017	Saturday
Last date of filing of Draft Letter of Offer with SEBI	April 17, 2017	Monday
Last date for public announcement of a competing offer	May 2, 2017	Tuesday
Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	May 9, 2017	Tuesday
Identified Date*	May 12, 2017	Friday
Last date for dispatch of the Letter of Offer to the Public Shareholders	May 19, 2017	Friday
Last date for upward revision of the Offer Price and/or the Offer Size	May 22, 2017	Monday
Last date of publication by which a committee of independent directors of the Target Company is required to give its recommendation to the Public Shareholders of the Target Company for this Offer	May 24, 2017	Wednesday
Date of publication of advertisement for Offer Opening	May 25, 2017	Thursday
Commencement of Tendering Period	May 26, 2017	Friday
Closure of Tendering Period	June 8, 2017	Thursday
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	June 22, 2017	Thursday

**Date falling on the 10th (Tenth) working day prior to commencement of the Tendering Period, for the purposes of determining the eligible shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.*

RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER AND THE PAC:

A. Relating to the transaction/Offer

- a. In the event that (a) any statutory approvals being required by the Acquirer alongwith the PAC at a later date, this Offer shall be subject to such approvals and the Acquirer alongwith the PAC shall make the necessary applications for such approvals and in case of delay in receipt of any such statutory approvals; (b) there is any litigation leading to a stay on the Open Offer; or (c) SEBI instructs the Acquirer alongwith the PAC not to proceed with the Open Offer, then the offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares have been accepted in this Open Offer as well as return of the Equity Shares not accepted by the Acquirer alongwith the PAC may be delayed. In case of delay, due to non - receipt of statutory approval(s) in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer alongwith the PAC, grant extension for the purpose of completion of this Open Offer subject to Acquirer alongwith the PAC agreeing to pay interest to the Public Shareholders, as may be specified by SEBI.
- b. The Acquirer alongwith the PAC will not proceed with the Open Offer in the event statutory approvals, if any required, are refused in terms of Regulation 23(1)(a) of SEBI (SAST) Regulations, 2011.
- c. The tendered Equity Shares in physical form with the related documents submitted therewith would be held in trust by the Registrar to the Offer and in credit of the Depositories account until the process of acceptance of Equity Shares tendered and payment of consideration to the Public Shareholders is completed.
- d. Equity Shares cannot be withdrawn once tendered, even if the acceptance of Equity Share under the Offer and dispatch of consideration is delayed. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation.
- e. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- f. The Acquirer alongwith the PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLOF, LOF and anyone placing reliance on any other sources of information (not released by the Acquirer alongwith the PAC) would be doing so at his / her / its own risk.

B. Relating to Acquirer and the PAC

- a. The Acquirer, the PAC and Manager to the Offer makes no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Open Offer.
- b. The Acquirer, the PAC and Manager to the Offer makes no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- c. The Acquirer, the PAC and Manager to the Offer does not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Open Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in this Open Offer.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer alongwith the PAC, but are only indicative. The risk factors set forth above pertain to the transaction, acquisition and the Offer and do not pertain to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by Public Shareholder in the Offer. Public Shareholders of the Target Company are advised to consult their stockbroker, tax advisors or investment consultant, for further risks with respect to their participation in the Offer.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to Rs. / Rupees / “₹” are to Indian Rupee(s), the official currency of India.

In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

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1. DEFINITIONS

Acquirer	Priyanka Finance Private Limited
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Depositories	CDSL and NSDL
DLOF/ Draft Letter of Offer	This Draft Letter of Offer dated April 17, 2017
DPS/Detailed Public Statement	Detailed Public Statement published in newspapers on April 8, 2017
DIN	Director Identification Number
DP	Depository Participant
EPS	Earnings per share
Equity Share(s)	Fully paid-up equity shares of the Target Company of face value of ₹10/- each
Escrow Agreement	Escrow Agreement dated March 31, 2017 entered into between the Acquirer, the PAC, Escrow Banker and Manager to the Offer
Escrow Banker	HDFC Bank Limited
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FII	Foreign Institutional Investor
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent
Income Tax Act	Income Tax Act, 1961
Letter of Offer or LOF	Letter of Offer dated [•]
Manager to the Offer/Merchant Banker	Inga Capital Private Limited
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
Offer or Open Offer	Open Offer for acquisition of upto 31,82,400 Equity Shares being 26% of fully paid-up equity share capital and voting capital of the Target Company at a price of ₹25/- (Rupees Twenty Five Only) per Equity Share payable in cash
Offer Price	₹25/- (Rupees Twenty Five Only) per Equity Share payable in cash
Offer Size	31,82,400 Equity Shares being 26% of fully paid-up equity share capital and voting capital of the Target Company
PA	Public Announcement dated March 31, 2017
Person Acting in Concert/PAC	Mr. Vijay Choraria
PAT	Profit After Tax
Public Shareholders	All the registered and unregistered public shareholders of the Target Company who own the Equity Shares at any time prior to the closure of Tendering Period, including the beneficial owners of the Equity Shares held in dematerialised form and physical form, except Acquirer and the PAC including persons deemed to be acting in concert with them in terms of Regulation 7(6) of SEBI (SAST) Regulations, 2011
RBI	The Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
Rs. or Rupees or ₹	Indian Rupees
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendment thereto
SEBI LODR, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto.
SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
Target Company	Transchem Limited
Tendering Period	Period commencing from May 26, 2017 (Friday) and closing on June 8, 2017 (Thursday), both days inclusive.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TRANSCHEM LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ALONGWITH THE PAC IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER ALONGWITH THE PAC DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “INGA CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 17, 2017 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER ALONWITH THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1 This Open Offer is being made in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011.

3.1.2 Preceding the date of the PA, the Acquirer alongwith the PAC, held 24,00,000 Equity Shares representing 19.61% of fully paid-up equity share capital and voting capital of the Target Company, as mentioned below:

Sr. No.	Name of the Acquirer and the PAC	Number of Equity Shares	% of total equity / voting capital
1.	Priyanka Finance Private Limited	4,00,000	3.27
2.	Mr. Vijay Choraria	20,00,000	16.34
Total		24,00,000	19.61

3.1.3 On March 31, 2017, the Acquirer placed a purchase order with its Broker, Intime Equities Limited to acquire upto 7,00,000 (Seven Lakh) fully paid-up Equity Shares representing upto 5.72% of fully paid-up equity share capital and voting capital of the Target Company, at a price not exceeding ₹ 25/- (Rupees Twenty Five Only) per Equity Share of the Target Company, as mentioned below:

Details of underlying transaction						
Type of Transaction (direct/ indirect)	Mode of Transaction (Agreement / Allotment/ market purchase)	Shares / Voting rights acquired/ proposed to be acquired		Total Consideration for shares / Voting Rights acquired	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% of total equity / voting capital			
Direct	Market purchase through purchase order	Upto 7,00,000	Upto 5.72% of fully paid-up equity share capital and voting capital of the Target Company	Upto ₹ 1,75,00,000/-	Cash	Regulations 3(1) and 4 of SEBI (SAST) Regulations, 2011

Pursuant to the abovementioned purchase order for the acquisition of the Equity Shares of the Target Company, the shareholding of the Acquirer alongwith the PAC may increase to more than 25% of the fully paid-up equity share capital and voting capital of the Target Company and the Acquirer alongwith the PAC proposed to acquire control of the Target Company. Accordingly, this mandatory Offer is being made by the Acquirer alongwith the PAC, in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 and Regulation 31A of the SEBI LODR, 2015.

- 3.1.4 The Offer is not a result of global acquisition resulting in indirect acquisition of Equity Shares of the Target Company.
- 3.1.5 The Acquirer and the PAC has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 3.1.6 As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the board of directors of the Target Company is required to constitute a committee of independent directors, to provide its written reasoned recommendation on the Offer, to the Public Shareholders of the Target Company and such recommendation shall be published at least two working days before the commencement of the Tendering Period, in the same newspapers where the DPS was published.
- 3.1.7 The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of this DLOF. The Manager to the Offer further declares and undertakes, not to deal on their own account in the Equity Shares of the Target Company during the Offer period.
- 3.1.8 Upon completion of the Open Offer, assuming full acceptances, the public shareholding of the Target Company will not fall below minimum level of public shareholding as required to be maintained as per Rule 19A(1) of Securities Contract (Regulation) Rules, 1957 as amended and Regulation 38 of the, SEBI LODR, 2015.

3.2. Details of the Proposed Offer

- 3.2.1 In accordance with Regulation 14(3) of SEBI (SAST) Regulations, 2011, the DPS was published in the following newspapers on April 8, 2017:

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

(The DPS is also available on the website of SEBI i.e. www.sebi.gov.in)

- 3.2.2 This Open Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 to all the Public Shareholders of the Target Company for acquisition of 31,82,400 (Thirty One Lakh Eighty Two Thousand Four Hundred) Equity Shares representing 26% of fully paid-up equity share capital and voting capital of the Target Company (“Offer Size”) at a price of ₹25/- (Rupees Twenty Five Only) per

Equity Share (“Offer Price”) payable in cash and subject to the terms and conditions set out in the DPS, DLOF and LOF that will be sent to all Public Shareholders of the Target Company.

- 3.2.3 There are no partly paid-up Equity Shares in the Target Company.
- 3.2.4 This Open Offer is not a competing offer and there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- 3.2.5 This Offer is not conditional upon any minimum level of acceptance from the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011.
- 3.2.6 The Acquirer and the PAC has not acquired any Equity Shares of the Target Company after the date of PA, i.e. March 31, 2017 and upto the date of this DLOF.
- 3.2.7 There is no differential pricing for this Offer.

3.3. Object of the Offer

- 3.3.1 The prime objective of the Acquirer alongwith the PAC for this Open Offer is substantial acquisition of Equity Shares and voting rights accompanied by control over the management of the Target Company.
- 3.3.2 The Acquirer alongwith the PAC proposes to extend support to continue and expand the existing business activities in same line through exercising effective management over the Target Company. However, the Acquirer alongwith the PAC does not have any definitive plan as on date.

4. BACKGROUND OF THE ACQUIRER AND THE PAC

4.1. Priyanka Finance Private Limited (“Acquirer”)

- 4.1.1. The Acquirer was incorporated as a private limited company on March 7, 1989 as ‘Priyanka Finance Private Limited’, under the provision of Companies Act, 1956. The Acquirer is registered as a Non-Banking Finance Company (NBFC) on October 25, 2000, registered with Reserve Bank of India (RBI) to carry on the business of non-banking financial institution without accepting public deposits. The registered office of the Acquirer is situated Mashkur Building No.1, Krishnama Road, Nungambakkam, Chennai – 600 034. Its Tel. No. is +91-22-4334 7000 and Fax No. is +91- 22-4334 7002. The corporate office is situated at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai - 400 001. There has been no change in the name of Acquirer since incorporation.
- 4.1.2. The Acquirer is primarily into investing in long term investments in equity shares, debt instruments which are listed and unlisted and equity related securities of companies in a wide range of industries.
- 4.1.3. The Acquirer does not belong to any specific group. The equity shares of the Acquirer are not listed on any stock exchange.
- 4.1.4. As on the date, Acquirer holds 4,00,000 Equity Shares representing 3.27% of fully paid-up equity share capital and voting capital of the Target Company. Apart from the shareholding of the Acquirer in the Target Company, neither the Acquirer nor its directors and/or key managerial personnel have any interest in the Target Company.
- 4.1.5. The key shareholder of the Acquirer is Fine Estates Private Limited and Mr. Vijay Choraria is person in control and the ultimate beneficiary of the Acquirer.
- 4.1.6. The shareholding pattern of the Acquirer as on date of DLOF is as follows:

Sr. No.	Shareholder’s Category	No. of shares held	Percentage
1	Promoters*	44,58,340	100.00
2	FII’s/Mutual-Funds/FIs/Banks	NIL	N.A.
3	Public	NIL	N.A.
	Total Paid-up Capital (1+2+3)	44,58,340	100.00

*Includes Fine Estate Private Limited alongwith Mr. Vijay Choraria, being the nominee of Fine Estate Private Limited

4.1.7. Mr. Vijay Choraria shall be acting as person acting in concert with the Acquirer for the purpose of this Open Offer in terms of Regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.

4.1.8. The details of Board of Directors of the Acquirer as on date of DLOF is as follows:

Name	DIN	Qualification & Experience	Date of Initial Appointment
Mirza Saeed Kazi	03348588	Holds Bachelor's degree in Commerce and have an experience of over 15 years in the fields of accounts and finance.	December 18, 2010
Radhika Bhakuni	06790913	Qualified Chartered Accountant and also holds Bachelor's degree in Commerce and M.com degree and have an experience of 4 years in the fields of accounts and finance	February 1, 2014

None of the directors of the Acquirer are on the board of directors of the Target Company.

4.1.9. The Acquirer and its directors and promoters have confirmed that they are not categorized as "wilful defaulters" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011.

4.1.10. Summary of the un-audited standalone financial statements for the nine months ended December 31, 2016, subjected to limited review by the auditor and audited standalone financial statements for the financial year ended March 31, 2016, March 31, 2015, and March 31, 2014 are as follows:

(Amount in ₹ Lakhs except EPS)

Particulars	Nine months ended December 31, 2016 (Un-audited)	Financial Year ended March 31, 2016 (Audited)	Financial Year ended March 31, 2015 (Audited)	Financial Year ended March 31, 2014 (Audited)
Profit & Loss Statement				
Revenue from operations	8095.74	12442.98	21176.96	5503.38
Other Income	11.53	31.45	30.56	795.17
Total Income	8107.27	12474.43	21207.52	6298.55
Total Expenditure	7260.17	11759.07	19711.79	5785.40
Profit before Depreciation, Interest & Tax	847.10	715.36	1495.73	513.15
Depreciation	17.84	22.24	31.82	16.24
Interest	297.63	554.72	455.34	388.27
Profit / (Loss) before Tax	531.63	138.40	1008.57	108.64
Provision for Tax (including deferred tax & tax for earlier years)	162.91	35.72	305.64	128.08
Profit / (Loss) after Tax	368.72	102.68	702.93	(19.44)
Particulars	Nine months ended December 31, 2016 (Un-audited)	Financial Year ended March 31, 2016 (Audited)	Financial Year ended March 31, 2015 (Audited)	Financial Year ended March 31, 2014 (Audited)
Balance Sheet Statement				
Sources of Funds				
Paid up share capital	445.83	445.83	445.83	445.83
Reserves & Surplus (excluding	3151.61	2782.87	2680.18	1977.99

revaluation reserves)				
Net Worth	3597.44	3228.70	3126.01	2423.82
Secured Loans	2212.76	2087.42	2535.26	1251.92
Unsecured Loans	1584.21	1222.24	1227.38	2268.50
Total	7394.41	6538.36	6888.65	5944.24
Uses of Funds				
Net Fixed Assets	34.03	51.10	36.76	62.49
Investments	306.21	305.10	305.45	334.00
Net Current Assets	6325.70	5289.93	5619.36	4315.04
Non-Current Assets	728.47	891.38	927.08	1232.71
Total Miscellaneous Expenditure not written off	-	-	-	-
Total	7394.41	6538.36	6888.65	5944.24
Other Financial Data				
Dividend (%)	-	-	-	-
Earnings Per Share	8.27	2.30	15.77	(0.52)

(Source: Certificate dated April 7, 2017 issued by Mr. Pawan Gattani (Membership No.:144734), partner of M/s Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W.)

4.1.11. As on December 31, 2016, there are contingent liabilities of ₹98.71 lakhs w.r.t taxation matters for which appeal is pending.

4.2. Mr. Vijay Choraria (“PAC”)

4.2.1. The PAC, aged 52 years, resides at Choraria House, 5, Pali Hill, Bandra (West), Mumbai – 400 050, Tel. No.: +91-22-4334 7000. He holds a Bachelor’s degree in Commerce and General Law degree both from University of Bombay. He is a member of The Institute of Chartered Accountants of India and has over two decades of experience in the real estate and financial markets.

4.2.2. The PAC does not belong to any specific group.

4.2.3. As on the date, the PAC holds 20,00,000 Equity Shares representing 16.34% of fully paid-up equity share capital and voting capital of the Target Company other than the shareholding, the PAC has no other relationship and interest in the Target Company.

4.2.4. The PAC is the ultimate beneficiary of the Acquirer. Other than the relationship disclosed in this DLOF, the PAC has no other relationship with Acquirer.

4.2.5. The PAC has confirmed that he is not categorized as “wilful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011.

4.2.6. The net worth of PAC is of ₹ 64.29 Crores as certified vide certificate dated March 31, 2017 issued by Mr. K. K. Maloo (Membership No.:075872) partner of M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.:105834W), having office at 10-11, Third Floor, Esplanade Building, 3, A. K. Naik Marg, Fort, Mumbai- 400 001; Tel. No.:+91-22-2207 7472/ +91-22-2207 2620.

4.2.7. The PAC is not a whole time director on the board of directors of any company. Apart from Crest Ventures Limited, the PAC is not a director of any other listed company.

5. BACKGROUND OF THE TARGET COMPANY: TRANSCHEM LIMITED

(Information relating to the Target Company mentioned under this section has been sourced from the Target Company, information published by the Target Company or publicly available sources)

5.1. Target Company was originally incorporated as a private limited company on November 18, 1976 as ‘Transchem Private Limited’, under the provision of Companies Act, 1956. The name of the Target Company changed from ‘Transchem Private Limited’ to ‘Transchem Limited’ and received a certificate of change of name from Registrar of Companies, Maharashtra, under the Companies Act, 1956 on April

13, 1992. The registered office of the Target Company is situated at 304, Ganatra Estate Pokhran, Road No. 1, Khopat, Thane – 400 601. The ISIN of Equity Share of the Target Company is INE019B01010. There has been no change in the name of the Target Company in the last three years.

- 5.2. The Target Company has not carried out any business activities from last few years. The Target Company is looking out for economic feasibility to set-up a unit for research of new pharmaceutical molecules and other viable products.
- 5.3. The authorized share capital of the Target Company is ₹ 30,00,00,000/- (Rupees Thirty Crore Only) comprising of 3,00,00,000 (Three Crore) Equity Shares of ₹ 10/- each. Issued, subscribed and paid-up share capital of the Target Company is ₹ 12,24,00,000/- (Rupees Twelve Crores Twenty Four Lakh Only) divided into 1,22,40,000 (One Crore Twenty Two Lakh Forty Thousand) Equity Shares.
- 5.4. Share capital structure of the Target Company as on the date of DLOF is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares/voting rights	% of Equity Shares/voting rights
Fully paid-up Equity Shares	1,22,40,000	100.00
Partly paid-up Equity Shares	NIL	NIL
Total paid-up Equity Shares	1,22,40,000	100.00
Total voting rights in Target Company	1,22,40,000	100.00

- 5.5. The Equity Shares of the Target Company are listed on BSE. The Equity Shares are placed under Group 'XT' having a Scrip Code of 500422 on BSE.
- 5.6. Currently, trading of Target Company's Equity Shares are not suspended from BSE.
- 5.7. There are no Equity Shares of the Target Company that are issued, allotted, but not listed on the BSE.
- 5.8. As on date of this DLOF, the Target Company does not have any partly paid-up Equity Shares and there are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage.
- 5.9. The Board of Directors of the Target Company as on the date of DLOF are as under:

Name	DIN	Designation	Date of Initial Appointment
Neerav Bharat Merchant	00222393	Non- Executive Independent Director	January 31, 2005
Dilip Shripati Shinde	01763995	Wholetime Director	March 10, 2008
Rajen Kapil Desai	00382740	Promoter Non- Executive Director	November 18, 1976
Bina Sanjeev Shah	00349612	Chairperson and Non- Executive Independent Director	January 31, 2005

- 5.10. There has been no merger/de-merger, spin off during last three years involving the Target Company.
- 5.11. Summary of the un-audited standalone financial statements for the nine months ended December 31, 2016 subjected to limited review by the auditor and audited standalone financial statements for the financial year ended March 31, 2016, March 31, 2015, March 31, 2014 are as follows:

(Amount in ₹ Lakhs except other financial data)

Particulars	Nine months ended December 31, 2016 (Un-audited)	Financial year ended March 31, 2016 (Audited)	Financial year ended March 31, 2015 (Audited)	Financial year ended March 31, 2014 (Audited)
Profit & Loss Statement				
Revenue from operations	-	-	-	-
Other Income	136.59	196.61	208.66	184.18
Increase / (Decrease) in Stock	-	(0.60)	-	-

Particulars	Nine months ended December 31, 2016 (Un-audited)	Financial year ended March 31, 2016 (Audited)	Financial year ended March 31, 2015 (Audited)	Financial year ended March 31, 2014 (Audited)
Profit & Loss Statement				
Total Revenue	136.59	196.01	208.66	184.18
Total Expenses	55.71	92.31	77.96	104.25
Profit/(Loss) before Depreciation, Interest, Tax and Exceptional Items	80.88	103.70	130.70	79.93
Depreciation and amortization expense	(76.35)	(101.80)	(107.49)	(152.13)
Finance costs	(0.01)	(0.00)	(0.04)	(4.66)
Profit/(Loss) before Tax and Exceptional Items	4.52	1.90	23.17	(76.86)
Exceptional Items	(17.56)	2.78	(11.35)	(0.57)
Profit/(Loss) before Tax	(13.04)	4.68	11.82	(77.43)
Tax Expenses (Income Tax, Deferred Tax & Wealth Tax) (Net)	-	-	-	(3.00)
Profit/(Loss) after Tax	(13.04)	4.68	11.82	(80.43)
Particulars	Nine months ended December 31, 2016 (Un-audited)	Financial year ended March 31, 2016 (Audited)	Financial year ended March 31, 2015 (Audited)	Financial year ended March 31, 2014 (Audited)
Balance Sheet Statement				
Sources of Funds				
Paid up share capital	1224.00	1224.00	1224.00	1224.00
Reserves and surplus	2602.40	2615.44	2610.76	2598.94
Net Worth	3826.40	3839.44	3834.76	3822.94
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Non-current liabilities	19.45	19.45	17.21	15.91
Total	3845.85	3858.90	3851.97	3838.85
Uses of funds				
Net Fixed assets	665.57	741.86	839.77	947.27
Long-term loans and advances	17.93	17.93	18.63	18.63
Investments (Current and Non-current Investments)	2937.74	2801.42	2749.81	2593.14
Net Current Assets	160.64	233.72	179.79	215.84
Deferred Tax Asset	63.97	63.97	63.97	63.97
Total	3845.85	3858.90	3851.97	3838.85
Other Financial Data				
Dividend (%)	-	-	-	-
Earnings Per Share	(0.11)	0.04	0.10	(0.66)
Return on Net worth (%)	(0.34)	0.12	0.31	(2.10)
Book value Per Share	31.26	31.37	31.33	31.23

(Source: Certificate dated April 6, 2017 issued by Lalit T. Jadav (Membership No.: 037240, proprietor of M/s L. T. Jadav & Co, Chartered Accountants (Firm Registration No.: 118218W).

5.12. Pre shareholding pattern of the Target Company as on March 31, 2017, as filed with the BSE and post shareholding pattern of the Target Company is as follows:

Shareholders' Category	Shareholding & voting rights as on March 31, 2017		Equity Shares/voting rights agreed to be acquired which triggered under the SEBI (SAST) Regulations, 2011 (assuming complete acquisition)		Equity Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance)		Shareholding/voting rights after the acquisition and Offer.	
	(A)		(B)		(C)		(D) = (A) +(B) +(C)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter and Promoter Group	6,30,084	5.15	Nil	N.A.	Nil	N.A.	Nil	N.A.
(2) Acquirer alongwith the PAC								
a. Acquirer	4,00,000	3.27	7,00,000	5.72	31,82,400	26.00	62,82,400	51.33
b. PAC	20,00,000	16.34	Nil	N.A.				
Total (2)(a+b)	24,00,000	19.61	7,00,000	5.72	31,82,400	26.00	62,82,400	51.33
(3) Public (other than Acquirer and the PAC)								
a. FIs/MFs/FIIs/Banks/ SFI	4,000	0.03	(7,00,000)	(5.72)	(31,82,400)	(26.00)	59,57,600	48.67
b. Others	92,05,916	75.21						
Total (3)(a+b)	92,09,916	75.24	(7,00,000)	(5.72)	(31,82,400)	(26.00)	59,57,600	48.67
Grand Total (1+2+3)	1,22,40,000	100.00	Nil	N.A.	Nil	N.A.	1,22,40,000	100.00

a. Total no. of shareholders in public category as on March 31, 2017 is 13,763.

b. On completion of the Offer, promoter and promoter group will be categorized as public category of the Target Company and Acquirer alongwith the PAC shall be categorized as promoter of the Target Company, subject to shareholders' approval as per Regulation 31A SEBI LODR, 2015.

5.13. Acquirer has not acquired any Equity Shares after date of PA till the date of Draft Letter of Offer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1 This Open Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011. The Equity Shares of the Target Company are listed on BSE. The Equity Shares are placed under Group 'XT' on BSE having a Scrip Code of 500422.

6.1.2 The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the twelve calendar months prior to the month of PA (March, 2016 to February, 2017) 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 total Equity Shares listed)
BSE	4,71,238	1,22,40,000	3.85

(Source: www.bseindia.com)

6.1.3 Based on the above information, the Equity Shares of the Target Company are infrequently traded on the BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.

6.1.4 The Offer Price of ₹ 25/- (Rupees Twenty Five Only) per Equity Share is justified in terms of Regulations 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)
1	The highest negotiated price per equity share of the Target Company for acquisition under any agreement attracting the obligation to make a PA of an open offer.	N.A.
2	The volume-weighted average price paid or payable for acquisition by the Acquirer alongwith the PAC during 52 weeks immediately preceding the date of PA	20.90
3	The highest price paid or payable for any acquisition by the Acquirer alongwith the PAC during 26 weeks immediately preceding the date of the PA	20.90
4	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on BSE, provided such shares are frequently traded	N.A.
5	Highest price per equity share of the Target Company quoted by the Acquirer in the purchase order issued to the Broker, pursuant to which the Offer is triggered	25.00
6	Where the shares are not frequently traded, price determined by the Acquirer alongwith the PAC and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share.	23.78*

*Mr. K.K. Maloo, (Membership No.075872) partner of M/s Maheshwari & Co., Chartered Accountants having office at 10-11, Third Floor, Esplanade Building, 3, A. K. Naik Marg, Fort, Mumbai- 400 001; Tel. No.:+91-22- 2207 7472/ +91-22-2207 2620, has valued the Equity Shares of Target Company on the basis Net Asset Value and Profit earning Capacity Value and calculated the fair value per share is ₹ 23.78 per share vide his certificate dated March 31, 2017.

- 6.1.5 In view of the parameters considered and presented in the table above and the certificate issued by the Chartered Accountants, in the opinion of the Acquirer alongwith the PAC and Manager to the Offer, the Offer Price of ₹ 25/- (Rupees Twenty Five Only) per Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.
- 6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.7 As on date there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer alongwith the PAC shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011, which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.8 If the Acquirer and/or the PAC acquires or agrees to acquire any Equity Shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations, 2011. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, 2011, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirer alongwith the PAC shall (i) make corresponding increases to the escrow amount (ii) make public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously notify to BSE, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations, 2011.
- 6.1.9 If the Acquirer and/or the PAC acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer alongwith the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Equity Shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, or pursuant to

SEBI (Delisting of Equity Shares) Regulations, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

6.2. Financial Arrangement

- 6.2.1 Total consideration payable by acquire 31,82,400 Equity Shares from all the Public Shareholders of the Target Company at the Offer Price of ₹ 25/- (Rupees Twenty Five Only) per Equity Share, assuming full acceptance of the Offer would be ₹ 7,95,60,000/- (Rupees Seven Crore Ninety Five Lakh Sixty Thousand Only) (“**Maximum Consideration**”).
- 6.2.2 In accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirer alongwith the PAC has opened an Escrow Account under the name and style of “**Transchem Limited Open Offer Escrow Account**” with HDFC Bank Limited, at their Fort Branch, Mumbai (“**Escrow Banker**”) and made therein a cash deposit of ₹ 2,00,00,000/- (Rupees Two Crore Only) in the account in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations, 2011, being more than 25% of the Maximum Consideration payable to the Public Shareholders under the Open Offer. Subsequently, as per the instruction received from the Acquirer alongwith the PAC, the Manager to the Offer has created a fixed deposit linked to such escrow account on April 12, 2017. The said fixed deposit has a lien marked in favour of the Manager to the Offer and the Acquirer alongwith the PAC has unconditionally and irrevocably authorized the Manager to the Offer to encash such fixed deposit at any time in strict compliance with SEBI (SAST) Regulations, 2011.
- 6.2.3 The Acquirer alongwith the PAC has duly authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.4 The Acquirer alongwith the PAC has adequate financial resources and has made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligations shall be met by the Acquirer alongwith the PAC through internal accruals and no borrowings from any bank and /or financial institution are envisaged.
- 6.2.5 Mr. K. K. Maloo (Membership No.:075872), partner of M/s Maheshwari & Co., Chartered Accountants (Firm Registration No.:105834W), having office at 10-11, Third Floor, Esplanade Building, 3, A. K. Naik Marg, Fort, Mumbai- 400 001; Tel. No.:+91-22- 2207 7472/ +91-22-2207 2620 vide his certificate dated March 31, 2017 has certified that the Acquirer alongwith the PAC has adequate resources to meet the financial requirement of the Open Offer.
- 6.2.6 Based on the aforesaid financial arrangements and on the confirmation received from the Escrow Banker and Chartered Accountants, the Manager to the Offer is satisfied about the ability of the Acquirer and the PAC to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer confirms that firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligation.

7. TERMS AND CONDITIONS OF THE OFFER

- 7.1 The LOF along with Form of Acceptance will be dispatched (through e-mail or physical mode) to all Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on May 12, 2017 (“**Identified Date**”). Accidental omission to dispatch the LOF to any Public Shareholder entitled to this Open Offer or non-receipt of the LOF by any Public Shareholder entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein. A copy of the Letter of Offer (alongwith Form of Acceptance) will also be available on SEBI’s website (www.sebi.gov.in). The Public Shareholders may also download LOF (alongwith Form of Acceptance) from SEBI website.
- 7.2 This Offer is not conditional upon any minimum level of acceptance in terms of the SEBI (SAST) Regulations, 2011. The Acquirer alongwith the PAC will acquire all the Equity Shares that are validly tendered and accepted in terms of this Offer upto 31,82,400 Equity Shares representing 26% of fully paid-up equity share capital and voting capital of the Target Company.

- 7.3 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- 7.4 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance.
- 7.5 The acceptance of the Offer made by the Acquirer alongwith the PAC is entirely at the discretion of the Public Shareholders of the Target Company. The Acquirer alongwith the PAC will not be responsible in any manner for any loss of Equity Share certificate(s) and offer acceptance documents during transit and the Public Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 7.6 The instructions and provisions contained in the Form of Acceptance constitute an integral part of the terms of this Offer.
- 7.7 Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- 7.8 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.
- 7.9 **Locked in Equity Shares:** The locked-in Equity Shares, if any acquired pursuant to the agreement or offer can be transferred to the Acquirer and the PAC, subject to the continuation of the residual lock-in period in the hands of the Acquirer and the PAC. The Manager to the Offer ensures that there shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares.
- 7.10 **Eligibility for accepting the Offer**
- 7.10.1 Public Shareholders can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.
- 7.10.2 None of the Acquirer, the PAC, Manager to the Offer or Registrar to the Offer accept any responsibility for any loss of equity share certificates, Offer acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.10.3 This DLOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this DLOF resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, PAC or the Manager to the Offer to any new or additional registration requirements.
- 7.11 **Statutory and other Approvals:**
- 7.11.1 To the best of the knowledge and belief of the Acquirer alongwith the PAC, as on the date of this DLOF, there are no statutory or other approvals required to implement the Offer. If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirer alongwith the PAC will not proceed with the Offer in the event that such statutory approvals becoming applicable prior to completion of the Offer are refused in terms of Regulation 23 of SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made within two working days of such withdrawal, in the same newspapers in which the DPS has appeared.
- 7.11.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that

they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer alongwith the PAC reserves the right to reject such Equity Shares tendered in this Offer.

- 7.11.3 In case of delay in receipt of any statutory approval(s) becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to the Acquirer alongwith the PAC for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer alongwith the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011. Further, if delay occurs on account of willful default by the Acquirer alongwith the PAC 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 to forfeiture. Further, where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer alongwith the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 7.12 The Equity Shares offered under this Offer shall be free from all liens, charges, equitable interests and encumbrances and are to be offered together with all rights in respect of dividends or bonuses, if any, from now on and declared hereafter.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1. The Offer is being made to all the Public Shareholders of the Target Company who own the Equity Shares at any time prior to the closure of Tendering Period, including the beneficial owners of the Equity Shares held in dematerialised form and physical form, except Acquirer and the PAC including persons deemed to be acting in concert with them in terms of Regulation 7(6) of SEBI (SAST) Regulations, 2011. All registered owners holding Equity Shares in physical form can send duly completed Form of Acceptance, filled and signed in accordance with the instructions contained in the Letter of Offer and Form of Acceptance, before the closure of Tendering Period to the Registrar to the Offer at the collection centre mentioned below:

Name and Contact Details of the Collection Centre	Working days and timings	Mode of delivery
Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083; Tel. No.: +91-22-4918 6200; Fax No.: +91-22-4918 6195; Email id: transchem.offer@linkintime.co.in; Contact Person: Sumeet Deshpande	Monday to Friday 10:00 am to 1:00 pm and 2:00 pm to 5:00 pm.	Regd. Post/ Courier/ Hand Delivery

The centre will be closed on Saturdays, Sundays and public holidays.

- 8.2. The Open Offer will be implemented by the Acquirer alongwith the PAC through stock exchange mechanism made available by the BSE in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations, 2011 and SEBI circulars CIR/CFD/POLICY/CELL/1/2015, dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017.
- 8.3. BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer. The facility for acquisition of Equity Shares shall be available through Acquisition Window.
- 8.4. The Acquirer alongwith the PAC has appointed Intime Equities Limited (“**Buying Broker**”) for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period. The Contact details of the Buying Broker are as mentioned below:
Name: Intime Equities Limited;
Communication Address: 20th Floor, Naman Midtown, A Wing, Senapati Bapat Marg, Elphinstone (W), Mumbai – 400 013;
Contact Person: Kuldeep Vashist;
Telephone: +91-22-4027 3741;
Email ID: kvashist@ffsil.com.

- 8.5. All Public Shareholders who desire to tender their Equity Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker(s)**”), during the normal trading hours of the secondary market during the Tendering Period. The Selling Brokers can enter orders for dematerialized as well as physical Equity Shares.
- 8.6. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender their Equity Shares in the Open Offer using the acquisition window of the BSE. Before placing the bid, the concerned Public Shareholder / Selling Broker would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation of India Limited (“**Clearing Corporation**”), by using the settlement number and the procedure prescribed by the Clearing Corporation.
- 8.7. The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session, at specific intervals, during the Tendering Period.
- 8.8. Public Shareholders can tender their Equity Shares only through a stock broker with whom the Public Shareholder is registered as client (KYC Compliant).
- 8.9. **Procedure for tendering Equity Shares held in dematerialized form:**
- 8.9.1. The Public Shareholders who are holding the Equity Shares in dematerialized form and who desire to tender their Equity Shares in this Offer shall approach their Selling Brokers indicating the details of Equity Shares they intend to tender in the Open Offer.
- 8.9.2. The Selling Broker shall provide early pay-in of dematerialized Equity Shares (except for custodian participant orders) to the Clearing Corporation, before placing the orders and the same shall be validated at the time of order entry.
- 8.9.3. For custodian participant, an order for dematerialized 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 6.00 p.m. on the last day of the offer period (However bids will be accepted only upto 3.30 p.m.). Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 8.9.4. The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the BSE / Clearing Corporation, before the opening of the Offer.
- 8.9.5. Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“**TRS**”) generated by the exchange bidding system to the Public Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered, etc.
- 8.9.6. The Public Shareholders will have to ensure that they keep the depository participant (“**DP**”) account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to prorated Open Offer.

The Public Shareholders holding Equity Shares in dematerialized mode are not required to fill any Form of Acceptance. The Public Shareholders are advised to retain the acknowledged copy of the TRS till the completion of offer period.

- 8.10. **Procedure to be followed by registered Public Shareholders holding Equity Shares in the physical form:**
- 8.10.1. Public Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out, including the following:
- i. The Form of Acceptance duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - ii. Original share certificates;

- iii. Valid transfer form (Form SH-4) duly filled and signed by the transferors (i.e. by all registered Public Shareholders) in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place, authorizing the transfer;
 - iv. Self-attested copy of the Public Shareholder's PAN Card;
 - v. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney, if any person other than the Public Shareholder has signed the relevant Form of Acceptance;
 - Notarized copy of death certificate / succession certificate or probated will, if the original Public Shareholder has deceased;
 - Necessary corporate authorizations, such as board resolutions, etc., in case of companies.
 - vi. In addition to the above, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof, consisting of any one of the following documents: valid aadhar card, voter identity card or passport.
- 8.10.2. Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Public Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered, etc.
- 8.10.3. After placement of order, as mentioned in paragraph 8.9.2, the Selling Broker/Public Shareholder must ensure delivery of the Form of Acceptance, TRS, original share certificate(s), valid share transfer form(s) (Form SH-4) and other documents (as mentioned in paragraph 8.9.1 either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned in paragraph 7.10.1 not later than 2 (two) days from the Tendering Period (by 5 PM). The envelope should be superscribed as "**Transchem Limited — Open Offer**". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Brokers/Public Shareholders.
- 8.10.4. Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares shall be subject to verification as per the SEBI (SAST) Regulations, 2011 and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical bids". Once Registrar to the Offer confirms the orders, it will be treated as "Confirmed Bids".
- 8.10.5. In case any person has submitted Equity Shares in physical form for dematerialization, such Public Shareholder should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Offer before the closure of Tendering Period.
- 8.11. Modification / cancellation of orders will not be allowed during the Tendering Period.
- 8.12. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals, during the Tendering Period.
- 8.13. **Equity Share Certificate(s), Transfer Form(s) (Form SH-4), Form of Acceptance and other documents, if any should not be sent to the Acquirer, the PAC, the Target Company and the Manager to the Offer.**
- 8.14. **Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:**
- Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Equity Shares in the Open Offer as per the procedure mentioned in the Letter of Offer or in the Form of Acceptance. The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible Public Shareholders of the Target Company may download the same from the SEBI's website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of

the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, Public Shareholders holding Equity Shares may participate in the Offer by providing their application on plain paper, in writing, signed by all Public Shareholder, stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, Folio number, Distinctive number, number of Equity Shares tendered and accompanied with other relevant documents such as physical share certificate and transfer form (Form SH-4) in case of Equity Shares being held in physical form. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Tendering Period.

8.15. Acceptance of Equity Shares:

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including dematerialized Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Size, the Acquirer and the PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot. The minimum marketable lot for the purposes of acceptance of Equity Shares of the Target Company would be 1(One) Equity Share.

8.16. Settlement Process

On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the BSE to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of Clearing Corporation. The Equity Shares shall be directly credited to the pool account of the Buying Broker. The Acquirer and the PAC will pay the consideration to the Clearing Corporation on or before the pay-in date for settlement. Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the pool account of the Buying Broker. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholder would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue, then such Equity Shares will be transferred to the Selling Broker's pool account for onward transfer to the Public Shareholders. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant. Any excess Equity Shares held in physical form pursuant to proportionate acceptance/ rejection will be returned back to the Public Shareholders directly by the Registrar through registered post/ speed post at the Public Shareholders sole risk to the sole / first Public Shareholder (in case of joint Public Shareholders), at the address recorded with the Registrar / Target Company.

8.17. Settlement of Funds / Payment Consideration

For Equity Shares accepted under the Open Offer, the Public Shareholders holding Equity Shares in dematerialized form will receive funds payout in the Public Shareholders bank account as provided by the depository system from Clearing Corporation and Selling Broker's (on behalf of the Public Shareholders holding Equity Shares in physical form), will receive funds payout in their settlement bank account from Clearing Corporation. The payment will be made to the Buying Broker by the Acquirer and the PAC for settlement. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, charges, expenses (including brokerage), securities transaction tax and any other applicable taxes/charges and the Acquirer, the PAC, Manager to the Offer, Registrar to the Offer and Buying Broker accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer alongwith the PAC for payment of consideration to the Public Shareholders of the Target Company who have

accepted the Open Offer within such period, subject to Acquirer alongwith the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

8.18. NOTE ON TAXATION

1. Capital gain: Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India, if Securities Transaction Tax (“STT”) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax and STT.
2. Public Shareholders are advised to consult their tax advisors for tax treatment arising out of the proposed Open Offer and appropriate course of action that they should take. The Acquirer and the PAC does not accept nor holds any responsibility for any tax liability arising to any Public Shareholder as a reason of this Open Offer.
3. Tax deduction at source:
 - a) In case of resident Public Shareholders, in absence of any specific provision under the Income Tax Act, 1961 (“**Income Tax Act**”) the Acquirer alongwith the PAC shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer.
 - b) In the case of non-resident Public Shareholders, since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident Public Shareholder. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/ authorized dealers/ tax advisors appropriately.
4. Interest payment, if any: In case of interest payments by the Acquirer alongwith the PAC for delay in payment of Offer consideration or a part thereof, the Acquirer alongwith the PAC will deduct tax at source, at the applicable rates, as per the Income Tax Act.
5. The tax rate and other provisions may undergo changes.

PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER DOES NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDERS AS A REASON OF THIS OFFER

9. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by Public Shareholders of the Target Company at the office of the Manager to the Offer, Inga Capital Private Limited, Naman Midtown, ‘A’ Wing, 21st Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400 013 on any working day between 10.30 am to 1.00 pm during the Tendering Period.

- 9.1 Annual Reports for the financial year ended March 31, 2014, March 31, 2015 and March 31, 2016 and un-audited standalone financial statements for the nine months ended December 31, 2016 subjected to limited review by the auditor of Acquirer.
- 9.2 Financial Certificate of Acquirer, issued by Mr. Pawan Gattani (Membership No.: 144734), partner of M/s Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W) dated April 7, 2017.
- 9.3 Networth Certificate of the PAC, issued by Mr. K.K. Maloo (Membership No.: 075872), partner of M/s Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W) dated March 31, 2017.
- 9.4 Certificate of Incorporation, Memorandum and Articles of Association of Acquirer.
- 9.5 Financial Adequacy Certificate of the Acquirer and the PAC, issued by Mr. K. K. Maloo (Membership No.:075872), partner of M/s Maheshwari & Co., Chartered Accountants (Firm Registration No.:105834W) dated March 31, 2017.
- 9.6 Annual Reports for the financial year ended March 31, 2014, March 31, 2015, March 31, 2016 and published un-audited standalone financial statements for the nine months ended December 31, 2016 subjected to limited review by the auditor of the Target Company.

- 9.7 Financial Certificate of Target Company, issued by Lalit T. Jadav (Membership No.: 037240, proprietor of M/s L. T. Jadav & Co, Chartered Accountants (Firm Registration No.: 118218W) dated April 6, 2017.
- 9.8 Copy of Escrow Agreement dated March 31, 2017 entered into between the Acquirer, the PAC, Escrow Banker and Manager to the Offer.
- 9.9 Copy of letter received from HDFC Bank Limited, confirming receipt of consideration of ₹ 2,00,00,000/- in the escrow account on April 5, 2017.
- 9.10 Copy of Public Announcement dated March 31, 2017, Detailed Public Statement published in the newspapers on April 8, 2017 and issue opening public announcement dated [•].
- 9.11 A copy of the recommendation made by the committee of independent directors of the Target Company published in the newspapers on [•].
- 9.12 Copy of SEBI Observation letter no. [•], dated [•], 2017.

10. DECLARATION BY THE ACQUIRER AND THE PAC

The Acquirer and its directors, alongwith the PAC severally and jointly accept full responsibility for the information contained in this DLOF and also for the obligations of the Acquirer alongwith the PAC as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereto. The Acquirer alongwith the PAC would be responsible for ensuring compliance with the concerned SEBI (SAST) Regulations, 2011.

For and on behalf of Acquirer alongwith the PAC

Priyanka Finance Private Limited Sd/- Authorised Signatory	Sd/- Vijay Choraria
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Place: Mumbai

Date: April 17, 2017