

DRAFT LETTER OF OFFER

"THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION"

The Letter of Offer is sent to you as a Public Shareholder (as defined below) of Diggi Multitrade Ltd ("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 (as defined below) / Registrar to the Offer (as defined below). 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

Mr. Samarth Prabhudas Ramanuj ("Acquirer 1")

Residing at: 72, Vandematram Township, Near Gota Crossing, Gota, Daskroi, Ahmedabad, Chandlodia, Gujarat - 382481; **Tel. No.:** +91 90002 90009; **Email ID.:** samarthramanuj512@gmail.com; and

Mr. Raja Lachhmandas Utwani ("Acquirer 2")

Residing at: L, 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat - 380014; **Tel. No.:** +91 90909 09098; **Email ID.:** rajautwani@icloud.com

(Acquirer 1 and Acquirer 2 are hereinafter collectively referred to as "Acquirers")

along with the following persons acting in concert

Ms. Shruti Ramanuj ("PAC 1")

Residing at: 72, Vandematram Township, Near Vishwakarma Temple, Gota, Ahmedabad, Gujarat - 382481; **Tel. No.:** +91 90002 90009; **Email ID:** shruti.samarth228@gmail.com; and

Mr. Lachhman Ghanshamdas Utwani ("PAC 2")

Residing at: 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat - 380014; **Tel. No.:** +91 98245 86258; **Email ID:** lachhmanu@gmail.com; and

Ms. Meena Lachhmandas Utwani ("PAC 3")

Residing at: 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat - 380014; **Tel. No.:** +91 98245 86258; **Email ID:** lachhman30@hotmail.com; and

Ms. Veena Lachhmandas Utwani ("PAC 4")

Residing at: 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat - 380 014; **Tel. No.:** +91 98245 86258; **Email ID:** utwaniweena@gmail.com; and

Haxco Invest Private Limited ("PAC 5")

Corporate identification Number: U67190GJ2021PTC120888

Registered Office: 72, Vandematram Township, Near Railway Crossing, Opp. Vikram Plaza, Gota, Ahmedabad - 382 481, Gujarat;

Tel. No.: +91 9499594995; **Email ID:** samarthramanuj512@gmail.com

(PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 are hereinafter collectively referred to as "PACs")

To make a cash offer to acquire upto 25,20,000 (Twenty-Five Lakh Twenty Thousand) fully paid-up equity shares of face value of ₹ 10/- each representing 26.04% of the Voting Share Capital (as defined below) from Public Shareholders (as defined below) of

Diggi Multitrade Ltd ("Target Company")



Corporate Identification Number: L65900MH2010PLC2047;

Registered Office: D-106, Crystal Plaza, Opposite Infiniti Mall, Link Road, Andheri (West), Mumbai - 400 053; **Tel. No.:** +91 22 2674 4365; **Email ID:** diggimultitradeltd@gmail.com

at a price of ₹ 19/- (Rupees Nineteen only) per Equity Share pursuant to and in compliance with the Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof ("**SEBI (SAST) Regulations, 2011**")

1. This Open Offer (as defined below) is being made by the Acquirers alongwith the PACs pursuant to in compliance with the Regulations 3(1) and 4 and other applicable regulations 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 Regulation 19(1) of the 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. To the best of the knowledge and belief of the Acquirers alongwith the PACs, as on the date of this Draft Letter of Offer, there are no statutory approval(s) required to the transaction under SPA (as defined below) or to acquire Equity Shares that are validly tendered pursuant to this Open Offer other than as indicated in paragraph 7.4 of this DLOF. 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 One (1) working day prior to commencement of the Tendering Period i.e., any time up to Monday, May 22, 2023, 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 Acquirers alongwith the PACs shall (i) make corresponding increases to the escrow amount (ii) make public announcement in the same newspapers in which the 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. The revised Offer Price would be payable for all the Equity Shares validly tendered anytime during the Tendering Period.
6. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, 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.
7. **There is no Competing Offer as on the date of this Draft Letter of Offer.**
8. 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
	
Expert Global Consultants Private Limited 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi - 110 034, India; CIN: U74110DL2010PTC205995; Telephone: +91 11 4509 8234; Email: openoffers@expertglobal.in ; Website: www.expertglobal.in ; Investor Grievance: compliance@expertglobal.in ; Contact Person: Mr. Gaurav Jain; SEBI Registration No: INM000012874; Validity: Permanent	Purva Sharestry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai - 400 011, Maharashtra, India; CIN: U67120MH1993PTC074079; Telephone: +91 22 2301 0771 / 4961 4132; Email: support@purvashare.com ; Website: www.purvashare.com ; Contact Person: Ms. Deepali Dhuri; SEBI Registration No: INR000001112; Validity: Permanent

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Day and Date
Issue of PA	Friday, March 24, 2023
Publication of DPS in the newspapers	Monday, April 3, 2023
Filing of draft letter of offer with SEBI	Wednesday, April 12, 2023
Last date for public announcement of a competing offer	Thursday, April 27, 2023
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)	Monday, May 8, 2023
Identified Date*	Wednesday, May 10, 2023
Last date for dispatch of the letter of offer to the Public Shareholders	Wednesday, May 17, 2023
Last date for upward revision of the Offer Price and/or the Offer Size	Monday, May 22, 2023
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	Monday, May 22, 2023
Date of publication of advertisement for Offer opening	Tuesday, May 23, 2023
Commencement of Tendering period	Wednesday, May 24, 2023
Closure of Tendering period	Tuesday, June 6, 2023
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	Tuesday, June 20, 2023
Last date for publication of post-Open Offer public announcement in the newspapers in which the DPS was published	Tuesday, June 27, 2023

**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 (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.*

Note: The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations, 2011) and are subject to receipt of relevant approvals, and may have to be revised accordingly.

RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OPEN OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRERS AND THE PACS:

A. Relating to the Transaction

The Open Offer is subject to the compliance of terms and conditions as set out under the Share Purchase Agreement dated March 24, 2023. As on the date of this DLOF, there are no apparent condition mention in the SPA (as defined below) which may warrant a withdrawal of the Offer under Regulation 23(1) of the SEBI (SAST) Regulations, 2011. If later, any other statutory or regulatory approvals or no objection are required, the Offer would become subject to receipt of such other statutory or regulatory or other approvals or no objections.

B. Relating to the Proposed Open Offer

- a. In the event that (a) any statutory approvals being required by the Acquirers alongwith the PACs at a later date, this Offer shall be subject to such approvals and the Acquirers alongwith the PACs 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 Acquirers alongwith the PACs 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 Acquirers alongwith the PACs 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 wilful default or negligence on the part of the Acquirers alongwith the PACs, grant extension for the purpose of completion of this Open Offer subject to Acquirers alongwith the PACs agreeing to pay interest to the Public Shareholders, as may be specified by SEBI.
- b. The Acquirers alongwith the PACs 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 respective 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 Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case and the appropriate course of action that they should take. The Acquirers, PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
- g. The Acquirer along with the PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, this DLOF or in the advertisement or any materials issued by or at the instance of the Acquirer and PACs, excluding such information pertaining to the Target Company, which has been obtained from publicly available sources or provided or confirmed by the Target Company. Any person placing reliance on any other source of information will be doing so at his/her/its own risk.

C. Relating to Acquirers and the PACs

- a. The Acquirers, the PACs 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 Acquirers, the PACs 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 Acquirers, the PACs and Manager to the Offer do 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 Acquirers alongwith the PACs, 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

Acquirers	Mr. Samarth Prabhudas Ramanuj (“ Acquirer 1 ”) and Mr. Raja Lachhmandas Utwani (“ Acquirer 2 ”) (Acquirer 1 and Acquirer 2 are hereinafter collectively referred to as “ Acquirers ”);
Buying Broker	Rikhav Securities Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation	Indian Clearing Corporation Limited
Depositories	Central Depository Services Limited and National Securities Depository Limited
DLOF/Draft Letter of Offer	This Draft Letter of Offer dated April 12, 2023
DPS/Detailed Public Statement	Detailed Public Statement dated April 2, 2023, and which was published in newspapers on April 3, 2023
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 24, 2023, entered into between the Acquirers, Escrow Banker and Manager to the Offer
Escrow Banker	Axis Bank Limited
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FII/FPI	Foreign Institutional Investor or Foreign Portfolio Investor as defined in FEMA
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement
Identified Date	The date falling on the 10 th (tenth) Working Day prior to the commencement of the Tendering Period for the purposes of determining the Public Shareholders to whom the LOF shall be sent
Income Tax Act/ IT Act	Income Tax Act, 1961, as amended
Letter of Offer or LOF	Letter of Offer dated [●]
Manager to the Offer/Merchant Banker	Expert Global Consultants Private Limited
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
OCB(s)	Erstwhile Overseas Corporate Bodies
Offer Consideration	₹ 4,78,80,000 /- (Rupees Four Crore Seventy-Eight Lakh Eighty Thousand only)
Offer or Open Offer	Open Offer for acquisition upto of 25,20,000 (Twenty-Five Lakh Twenty Thousand) Equity Shares representing 26.04% of Voting Share Capital of the Target Company at a price of ₹ 19/- (Rupees Nineteen Only) per Equity Share payable in cash.
Offer Price	₹19/- (Rupees Nineteen Only) per Equity Share payable in cash
Offer Period	The period between the date on which the PA was issued by the Acquirers and the PACs 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
Offer Shares	25,20,000 (Twenty-Five Lakh Twenty Thousand) Equity Shares
Offer Size	25,20,000 (Twenty-Five Lakh Twenty Thousand) Equity Shares representing 26.04% of the Voting Share Capital of the Target Company at a price of ₹ 19/- (Rupees Nineteen Only) per Equity Share aggregating to ₹ 4,78,80,000 /- (Rupees Four Crore Seventy-Eight Lakh Eighty Thousand only).
Public Announcement / PA	Public Announcement dated March 24, 2023
Person Acting in Concert/ PACs	Ms. Shruti Ramanuj (“ PAC 1 ”), Mr. Lachhman Ghanshamdas Utwani (“ PAC 2 ”), Ms. Meena Lachhmandas Utwani (“ PAC 3 ”), Ms. Veena Lachhmandas Utwani (“ PAC 4 ”) and Haxco Invest Private Limited (“ PAC 5 ”) (PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 are hereinafter collectively referred to as “ PACs ”).
PAT	Profit After Tax
Paid-up Equity Share Capital	₹ 9,67,75,000/- (Rupees Nine Crore Sixty-Seven Lakh Seventy-Five Thousand Only) divided into 96,77,500 (Ninety-Six Lakh Seventy-Seven Thousand Five Hundred) Equity

	Shares of face value of ₹ 10/- (Rupees Ten Only) each.
Promoter Sellers	Dr. Pradeepkumartana Naidu (“ Seller 1 ”), Dr. Sangeeta Naidu (“ Seller 2 ”) and Mr. Siddhant Pradeep (“ Seller 3 ”) (Seller 1, Seller 2 and Seller 3 are hereinafter collectively referred to as “ Promoter Sellers ”).
Public Shareholders	All the public shareholders of the Target Company who are eligible to tender their Equity Shares in the Offer, except (i) the Acquirers; (ii) the PACs; (iii) the parties to the underlying SPA; and (iv) persons deemed to be acting in concert with the persons set out in (i), (ii) and (iii), pursuant to and in compliance with the SEBI (SAST) Regulations, 2011
RBI	The Reserve Bank of India
Registrar to the Offer	Purva Sharegistry (India) Private Limited
Rs. or Rupees or ₹	Indian Rupees
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendment thereto
SEBI (LODR) Regulations, 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
Share Purchase Agreement / SPA	Share purchase agreement dated March 24, 2023, between the Acquirers and the Promoter Sellers, wherein the Acquirers propose to acquire 31,65,000 (Thirty-One Lakh Sixty-Five Thousand) Equity Shares representing 32.70% of Paid-up Equity Share Capital of the Target Company, at a price of ₹ 10 (Rupees Ten only) per Equity Share of the Target Company.
Stock Exchange	BSE Limited (“ BSE ”)
Target Company	Diggi Multitrade Limited
Tendering Period	Period commencing from Wednesday, May 24, 2023 and closing on Tuesday, June 6, 2023, both days inclusive.
TRS	Transaction Registration Slip
Voting Share Capital	Share capital of the Target Company as of the 10 th (Tenth) Working Day from the closure of the Tendering Period of the Offer i.e ₹ 9,67,75,000/- (Rupees Nine Crore Sixty-Seven Lakh Seventy-Five Thousand Only) divided into 96,77,500 (Ninety-Six Lakh Seventy-Seven Thousand Five Hundreds) Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each.
Working Day	Any working day of SEBI

Notes: (1) All capitalized terms used in this DLOF and not specifically defined herein shall have the meaning as ascribed to them in the SEBI (SAST) Regulations, 2011.

(2) In this DLOF, any reference to the singular will include the plural and vice-versa.

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 DIGGI MULTITRADE LIMITED, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACS OR THE 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 ACQUIRERS AND PACS ARE 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 ACQUIRERS AND PACS DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED” HAS SUBMITTED A

DUE DILIGENCE CERTIFICATE DATED APRIL 12, 2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND PACS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.”

3. DETAILS OF THE OPEN OFFER

3.1. Background of the Open Offer

3.1.1 This Open offer is a mandatory offer under the Regulations 3(1) & 4 of the SEBI (SAST) Regulations, 2011 pursuant to substantial acquisition of Equity Shares and Voting rights accompanied with change in control of the Target Company. This Offer has been triggered pursuant to the execution of the Share Purchase Agreement dated March 24, 2023.

3.1.2 Preceding the date of the PA, Mr. Samarth Prabhudas Ramanuj (“**Acquirer 1**”) and Mr. Raja Lachhmandas Utwani (“**Acquirer 2**”) (Acquirer 1 and Acquirer 2 are hereinafter collectively referred to as “**Acquirers**”) alongwith Ms. Shruti Ramanuj (“**PAC 1**”), Mr. Lachhman Ghanshamdas Utwani (“**PAC 2**”), Ms. Meena Lachhmandas Utwani (“**PAC 3**”), Ms. Veena Lachhmandas Utwani (“**PAC 4**”) and Haxco Invest Private Limited (“**PAC 5**”) (PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 are hereinafter collectively referred to as “**PACs**”), held 11,40,000 Equity Shares representing 11.78% of Paid-up Equity Share Capital of the Target Company as below:

Particulars	No. of Equity Shares	% of Paid-up Equity Share Capital
Acquirer 1	50,000	0.52%
Acquirer 2	Nil	Nil
PAC 1	1,10,000	1.14%
PAC 2	3,40,000	3.51%
PAC 3	90,000	0.93%
PAC 4	2,10,000	2.17%
PAC 5	3,40,000	3.51%
Total	11,40,000	11.78%

3.1.3 This Open Offer is being made pursuant to the execution of the share purchase agreement dated March 24, 2023 (“**SPA**”) between the Acquirers and the Promoter Sellers wherein the Acquirers propose to acquire 31,65,000 (Thirty-One Lakh Sixty-Five Thousand) Equity Shares representing 32.70% of Paid-up Equity Share Capital of the Target Company, at a price of ₹ 10 (Rupees Ten only) per Equity Share of the Target Company aggregating to ₹ 3,16,50,000/- (Rupees Three Crore Sixteen Lakh Fifty Thousand Only) to be paid in cash. Pursuant to the SPA the shareholding of the Acquirers alongwith the PACs shall increase to more than 25% of Paid-up Equity Share Capital of the Target Company alongwith the acquisition of control of the Target Company. Accordingly, this mandatory Offer is being made by the Acquirers and PACs, in compliance with Regulations 3(1) and 4 and other applicable provisions of the SEBI (SAST) Regulations, 2011.

3.1.4 The salient features of the SPA are as follows:

- i. The Acquirers have agreed to acquire and Promoter Sellers have agreed to sell 31,65,000 (Thirty-One Lakhs Sixty-Five Thousand) Equity Shares constituting 32.70% of Paid-up Equity Share Capital of the Target Company at a price of ₹ 10/- (Rupees Ten only) per Equity Share of the Target Company to Acquirers along with the control of the Target Company in term of SEBI (SAST) Regulations, 2011 (“**Sale Shares**”).
- ii. The Promoter Sellers agree to abide by all their obligations as contained in the SEBI (SAST) Regulations, 2011 as amended from time to time.
- iii. The Acquirers agree that they shall comply with the SEBI (SAST) Regulations, 2011, as may be required to be complied with, for the registration of the transfer of the Sale Shares in favour of the Acquirers.

- iv. The transaction of the Sale Shares will be either through the stock exchange settlement process or as an off-market transaction in terms of the SEBI (SAST) Regulations, 2011.
- v. The Promoter Sellers agree and confirm that they shall not buy or sell any Equity Share of the Target Company until the transaction execution of the agreement or cancellation thereof.
- vi. The Acquirers and Promoter Sellers agree to take steps to comply with the SEBI (SAST) Regulations, 2011 and to comply with all laws that may be required to give effect to the Sale Shares
- vii. The Acquirers have paid a sum of ₹ 5,00,000/- (Rupees Five Lakh Only) as a token amount to the Promoter Sellers apart from the sale proceeds and as a part of initiating due diligence process.
- viii. The Promoter Sellers hereby declare and represent that they are the sole and absolute owners of the Sale Shares of the Target Company and have full right, power and authority to sell the same to the Acquirers. The Sellers further declare and assure that the Sale Shares of the Target Company are free from all encumbrances, mortgages and liens.
- ix. Earlier, if the Promoter Sellers had not complied with the regulatory requirements within the prescribed time limit and now, they have complied with the regulatory requirements. However, any penalty, fees, charges, interest or any other expenses are outstanding for the same or arise in future, the Promoter Sellers shall be responsible and shall pay the actual payment of such any penalty, fees, charges, interest or any other expenses related to non-compliance.
- x. Details of the Acquirers and the Promoter Sellers with respect to number of Equity Shares agreed to be acquired and sold:

Name of Acquirers	No. of Equity Shares agreed to be Acquired	% Paid-up Equity Share Capital of the Target Company	Name of the Promoter Sellers
Mr. Samarth Prabhudas Ramanuj	15,82,500	16.35%	Dr. Pradeepkumartana Naidu
Mr. Raja Lachhmandas Utwani	45,000	0.46%	Dr. Pradeepkumarta Naidu
Mr. Raja Lachhmandas Utwani	14,77,500	15.27%	Dr. Sangeeta Naidu
Mr. Raja Lachhmandas Utwani	60,000	0.62%	Mr. Siddhant Pradeep
Total	31,65,000	32.70%	

- xi. Pursuant to this Offer and the transactions contemplated in the SPA, the Acquirers and PACs shall become the promoter and promoter group of the Target Company and the existing promoter i.e. Promoter Sellers will cease to be the promoter and promoter group of the Target Company in accordance with the provisions of Regulation 31A of the SEBI (LODR) Regulations, 2015.
- 3.1.5 The Offer is not a result of global acquisition resulting in indirect acquisition of Equity Shares of the Target Company.
 - 3.1.6 The Acquirers and PACs have not entered into a separate agreement with regard to the Open Offer or acquisition of Equity Shares of the Target Company.
 - 3.1.7 There is no separate arrangement for the proposed change in control of the Target Company, except for the terms as mentioned in SPA.
 - 3.1.8 There may be changes in the composition of Board of Directors of the Target Company after the completion of Offer, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and Regulation 24 of the SEBI (SAST) Regulations, 2011. No proposal in this regard has been finalized as on the date of this Draft Letter of Offer.
 - 3.1.9 The Acquirers and the PACs have 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.

- 3.1.10 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.
- 3.1.11 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.
- 3.1.12 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.
- 3.1.13 Any Public Shareholder required to obtain any governmental or regulatory approval, if any, must obtain all such requisite approvals required to tender the Offer Shares held by them, in this Open Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, erstwhile OCBs and FIIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Offer Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Offer Shares, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Open Offer.

3.2. Details of the Proposed Open Offer

- 3.2.1 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 25,20,000 (Twenty-Five Lakh Twenty Thousand) Equity Shares representing 26.04% of fully paid-up equity share capital and voting capital of the Target Company (“**Offer Size**”) at a price of ₹ 19/- (Rupees Nineteen Only) per Equity Share (“**Offer Price**”) payable in cash and subject to the terms and conditions set out in this Draft Letter of Offer and Letter of Offer, that will be sent to all Public Shareholders of the Target Company.
- 3.2.2 The PA in connection with the Open Offer was filed March 24, 2023 with the BSE. The same was sent to the Target Company and SEBI vide letters dated March 24, 2023.
- 3.2.3 In accordance with Regulation 14(3) of SEBI (SAST) Regulations, 2011, the DPS was published in the following newspapers on Monday, April 3, 2023:

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

Simultaneously, a copy of DPS was sent through the Manager to the Offer to BSE, SEBI and Target Company. (The DPS is also available on the website of SEBI *i.e.* www.sebi.gov.in)

- 3.2.4 There are no partly paid-up Equity Shares in the Target Company.
- 3.2.5 There is no differential pricing for this Offer.
- 3.2.6 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.
- 3.2.7 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. There is no differential pricing in the Offer.

3.2.8 The Acquirers and the PACs have not acquired any Equity Shares of the Target Company after the date of PA, *i.e.* March 24, 2023 and upto the date of this DLOF.

3.3. Object of the Open Offer

3.3.1 The prime objective of the Acquirers alongwith the PACs 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 Acquirers alongwith the PACs propose to extend support to continue and expand the existing business activities in same line through exercising effective management over the Target Company. However, the Acquirers alongwith the PACs proposes to include manufacturing and distribution of food and beverage business.

3.3.3 The Acquirers alongwith the PACs does not have any plans to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company, and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirers alongwith the PACs undertake that they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company, by way of a special resolution passed by postal ballot, in terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011 and subject to the provisions of applicable law as may be required.

4. BACKGROUND OF THE ACQUIRERS, PACS AND PROMOTER SELLERS

I. BACKGROUND OF THE ACQUIRERS

4.1. Mr. Samarth Prabhudas Ramanuj (“Acquirer 1”)

a) Mr. Samarth Prabhudas Ramanuj, son of Mr. Prabhudas Tribhovandas Ramanuj, aged 33 years, resides at 72, Vandematram Township, Near Gota Crossing, Gota, Daskroi, Ahmedabad, Chandlodia, Gujarat-382481. He has completed higher secondary certificate examination in the year 2007. He has over 12 years of experience in fields such as solar, business process outsourcing, travel and real estate industry. He is associated as director in Mspr Infotech Private Limited (Executive and Promoter Director), Haxco Invest Private Limited and Aficionados Consulting Private Limited.

b) Acquirer 1 is the husband of PAC 1 and director and shareholder of PAC 5.

c) Acquirer 1 is holding 50,000 Equity Shares representing 0.52% of Paid-up Equity Share Capital of the Target Company prior to the execution of the SPA.

4.2. Mr. Raja Lachhmandas Utwani (“Acquirer 2”)

a) The Acquirer 2, son of Mr. Lachhmandas Ghanshamdas Utwani aged 31 years, resides at L, 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat- 380014. He has completed his Bachelor of Commerce from New L. J. Commerce College, Ahmedabad in the year 2012 and Post Graduate Diploma in Management from Som Lalit Institute of Business Administration, Ahmedabad in the year 2014. He has over 10 years of experience in managing businesses in the fields of real estate, business process outsourcing and travel industry. He is associated as director in Intrinsic Infosoft Private Limited (Executive and Promoter Director) and DMG Technologies Private Limited.

b) Acquirer 2 is the son of PAC 2 and PAC 3 and the brother of PAC 4.

c) Acquirer 2 is not holding any Equity Shares of the Target Company prior to the execution of the SPA.

II. BACKGROUND OF THE PACS

4.3. Ms. Shruti Ramanuj (“PAC 1”)

- a) The PAC 1, wife of Mr. Samarth Prabhudas Ramanuj, aged 28 years, resides at 72, Vandematram Township, Near Vishwakarma Temple, Gota, Ahmedabad, Gujarat - 382481. She has completed her Bachelors in Education from Aakar Adhyapan Mandir College in the year 2019. She has over 7 years of experience in the field of automobile and real estate. She is associated as director in Haxco Invest Private Limited and Kashtabhanjan Industries Private Limited.
- b) PAC 1 is the wife of Acquirer 1 and director and shareholder of PAC 5.
- c) As on the date of PA, PAC 1 holds 1,10,000 Equity Shares representing 1.14% of Paid-up Equity Share Capital of the Target Company.

4.4. Mr. Lachhman Ghanshamdas Utwani (“PAC 2”)

- a) PAC 2 son of Ghanshamdas Chandanmal Utwani, aged 61 years, resides at 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat-380014. He does not possess any formal educational qualification. He has having experience of over 30 years in the field of real estate and automobile industry and associated as a director in Utwani Management and Consultancy Services Private Limited.
- b) PAC 2 is the father of Acquirer 2 and PAC 4 and the husband of PAC 3.
- c) As on the date of PA, PAC 2 holds 3,40,000 Equity Shares representing 3.51% of Paid-up Equity Share Capital of the Target Company.

4.5. Ms. Meena Lachhmandas Utwani (“PAC 3”)

- a) PAC 3, wife of Mr. Lachhman Ghanshamdas Utwani, aged 56 years, resides at 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat-380014. She does not possess any formal educational qualification. She is director in Utwani Management and Consultancy Services Private Limited and Intrinsic Infosoft Private Limited. She is handling administrations for the company.
- b) PAC 3 is the mother of Acquirer 2 and PAC 4 and the wife of PAC 2.
- c) As on the date of PA, PAC 3 holds 90,000 Equity Shares representing 0.93% of Paid-up Equity Share Capital of the Target Company.

4.6. Ms. Veena Lachhmandas Utwani (“PAC 4”)

- a) The PAC 4, daughter of Mr. Lachhman Ghanshamdas Utwani, aged 33 years, resides at 4, Kamla Co. Operative Housing Society, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad City, Ahmedabad, Gujarat- 380 014. She does not possess any formal educational qualification. She is associated as director in Utwani Management and Consultancy Services Private Limited. She is responsible for the client onboarding, engagement and administration related work and is instrumental in strategic decisions for the company.
- b) PAC 4 is a daughter of PAC 2 and PAC 3 and sister of Acquirer 2.
- c) As on the date of PA, PAC 4 holds 2,10,000 Equity Shares representing 2.17% of Paid-up Equity Share Capital of the Target Company.

4.7. Haxco Invest Private Limited (“PAC 5”)

- a) PAC 5 was incorporated as a private limited company on March 5, 2021 as ‘Haxco Invest Private Limited’, under the provision of Companies Act, 2013, having CIN U67190GJ2021PTC120888. The registered office of the PAC 5 is situated 72, Vandematram Township, Near Railway Crossing, Opp. Vikram Plaza, Gota, Ahmedabad – 382 481, Gujarat. Its Tel. No. is + 91 94995 94995. There has been no change in the name of PAC 5 since incorporation.

- b) PAC 5 is primarily into the business of buying, selling, reselling, consulting, and to invest in shares, mutual fund, stocks all kinds of money, currency, bonds, promissory notes, traveler's cheques, and to consult, advise, guide, negotiate, manage, book, hedge, maintain, remit foreign exchange and dealing in all kinds of goods, materials and items in India or in any other part of the world.
- c) The equity shares of the PAC 5 are not listed on any stock exchange.
- d) As on the date of PA, PAC 5 holds 3,40,000 Equity Shares representing 3.51% of fully paid-up equity share capital and voting capital of the Target Company.
- e) Acquirer 1 and PAC 1 are the shareholders/persons in control and directors of PAC 5.
- f) As on date of this DLOF, the shareholding pattern of the PAC 5 is set out below:

Sr. No.	Shareholder's category	No. of equity shares held	%
1.	Promoter	10,000	100
2.	FII/ Mutual-Funds/FIs/Banks	-	-
3.	Public	-	-
	Total Paid-up Capital	10,000	100

- g) As on date of this DLOF, the Board of Directors of the PAC 5 are as under:

Name	DIN	Designation	Qualification and Experience	Date of Initial Appointment
Samarth Prabhudas Ramanuj	06660127	Director	He has completed higher secondary certificate examination in the year 2007. He has over 12 years of experience in fields such as solar, business process outsourcing, travel and real estate industry. He is also associated as director in Mspr Infotech Private Limited and Aficionados Consulting Private Limited.	March 5, 2021
Shruti Ramanuj	09093690	Director	She has completed her Bachelors in Education from Aakar Adhyapan Mandir College in the year 2019. She has over 7 years of experience in the field of automobile and real estate. She is also associated as director in Kashtabhanjan Industries Private Limited.	March 5, 2021

- h) None of the directors of PAC 5, are on the board of directors of Target Company.
- i) Summary of the un-audited financial statements for the nine months ended December 31, 2022, subjected to limited review by the auditor and audited financial statements for the financial year ended March 31, 2022, are as follows:

(₹ in Lakhs except other financial data)

Particulars	Nine months ended December 31, 2022 (Un-audited)	Financial Year ended March 31, 2022 (Audited)
Profit & Loss Statement		
Income from operations	-	-
Other Income	-	-
Total Income	-	-
Total Expenditure	-	-0.19
Profit before Depreciation, Interest & Tax	-	-0.19
Depreciation	-	-
Interest	-	-
Profit / (Loss) before Tax	-	-0.19
Provision for Tax	-	-

Particulars	Nine months ended December 31, 2022 (Un-audited)	Financial Year ended March 31, 2022 (Audited)
Profit / (Loss) after Tax	-	-0.19
Balance Sheet		
Sources of funds		
Paid up share capital	1.00	1.00
Reserves and Surplus (excluding revaluation reserves)	-0.19	-0.19
Networth	0.81	0.81
Secured loans	NA	NA
Unsecured loans	530.29	1.00
Total	531.10	1.81
Uses of funds		
Net fixed assets	NA	NA
Investments	530.56	NA
Net current assets	0.54	1.81
Total miscellaneous expenditure not written off	NA	NA
Total	531.10	1.81
Other Financial Data		
Dividend %	NA	NA
Earning Per Share (₹)	NA	NA
Return on Net Worth (%)	NA	NA
Book Value Per Share (₹)	8.10	8.10

(Source: Certificate dated March 24, 2023 issued by Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C).

Note: As PAC 5 was incorporated on March 5, 2021, audited financial information for the financial year ending March 31, 2021 and March 31, 2020 is not applicable

- j) As of the date of this Draft Letter of Offer, PAC 5 had no major contingent liabilities.

4.8. Other Details of the Acquirers and the PACs:

- a) The net worth of Acquirer 1 and PAC 1 as certified vide certificate dated March 24, 2023 issued by Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C), having office at 306, Vraj Valencia, Behind Mahindra Car Show Room, S. G. Highway, Sola, Ahmedabad – 380 060, Gujarat; Tel. No.: +91 88492 42899 is as below:

Acquirer 1	₹ 4,60,28,334/- (Rupees Four Crore Sixty Lakh Twenty-Eight Thousand Three Hundred and Thirty-Four only)
PAC 1	₹ 4,14,13,328/- (Rupees Four Crore Fourteen Lakh Thirteen Thousand Three Hundred Twenty-Eight only)

- b) The net worth of Acquirer 2, PAC 2, PAC 3 and PAC 4 as certified vide certificate dated March 24, 2023 issued by Mr. Ronak Mukeshbhai Shah (Membership No.: 603203) partner of M/s. Shah Vagrecha & Associates, Chartered Accountants (Firm Registration No.: 155653W), having office at E-427, Sumel-7, Soni Ni Chali, Opp. Brts Stand, Ahmedabad – 382 350, Gujarat; Tel. No.: +91 84608 76584 is as below:

Acquirer 2	₹ 61,86,079.88 (Rupees Sixty-One Lakh Eighty-Six Thousand Seventy-Nine and Eighty-Eight Paise only)
PAC 2	₹ 14,05,31,542.28 (Rupees Fourteen Crore Five Lakh Thirty-One Thousand Five Hundred Forty-Two and Twenty-Eight Paise only)
PAC 3	₹ 12,07,53,429.69 (Rupees Twelve Crore Seven Lakh Fifty-Three Thousand Four Hundred Twenty-Nine and Sixty-Nine Paise only)
PAC 4	₹ 4,27,32,371.88 (Rupees Four Crore Twenty-Seven Lakh Thirty-Two Thousand Three Hundred Seventy-One and Eighty-Eight Paise only)

- c) Other than the relationship disclosed in this DLOF, the Acquirers and PACs have no other relationship with each other.
- d) Acquirers and PACs do not belong to any group.
- e) Acquirers and PACs do not hold any position on board of directors of any listed company.
- f) Other than the PACs, no person is acting in concert with the Acquirers for the purpose of this Open Offer. While persons may be deemed to be acting in concert with the Acquirers and / or the PACs in terms of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations, 2011 (“**Deemed PACs**”), such Deemed PACs are not acting in concert with the Acquirers and / or the PACs for the purpose of this Open Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
- g) Apart from the shareholding of the Acquirers and PACs in the Target Company, as applicable, the Acquirers and PACs do not have any other relationship with the Target Company. Further, Acquirers and PACs do not have any representatives on the Board of Directors of the Target Company.
- h) Acquirers and PACs are not related to Promoters, Directors or Key Managerial Personnel of the Target Company.
- i) As on the date of this DLOF, Acquirers and PACs 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 or under any other Regulation made under the SEBI Act.
- j) In terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011, the Acquirers and the PACs have confirmed that they have not been categorized as a “wilful defaulter” by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- k) In terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations, 2011, the Acquirers and the PACs have confirmed that they have not been declared as a “fugitive economic offender” under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).
- l) Acquirers and PACs have confirmed that currently there are no pending litigations pertaining to securities market where they have made party to.

III. BACKGROUND OF THE PROMOTER SELLERS

1. The details of the Promoter Sellers have been set out hereunder:

Name of the Promoter Sellers	Address	Shareholding in the Target Company	
		No. of Equity Shares	% of Paid-up Equity Share Capital
Dr. Pradeepkumartana Naidu (“ Seller 1 ”)	No. 07, Prasiddhi Ground Floor, Kempton Park Apartment, Kundalahalli, Near Ryan International School, Bangalore North, Marathahalli Colony, Bangalore, Karnataka – 560037	16,27,500	16.82%
Dr. Sangeeta Naidu (“ Seller 2 ”)		14,77,500	15.27%
Mr. Siddhant Pradeep (“ Seller 3 ”)		60,000	0.62%

2. The Promoter Sellers are individuals and a part of promoter group of the Target Company.
3. The Promoter Sellers do not belong to any group.
4. The Promoter Sellers have 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.

5. BACKGROUND OF THE TARGET COMPANY: DIGGI MULTITRADE 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. The Target Company was incorporated as “Diggi Securities Private Limited” under the provisions of the Companies Act, 1956 on December 1, 2010, in Mumbai, Maharashtra. Subsequently, name of the Company was changed from “Diggi Securities Private Limited” to “Diggi Multitrade Limited” vide fresh Certificate of Incorporation pursuant to change of name dated June 5, 2014. The registered office of the Target Company is situated at D-106, Crystal Plaza, Opposite Infiniti Mall, Link Road, Andheri (West), Mumbai – 400 053, Tel. No.: +91 22 2674 4365; Email: diggimultitrade@td@gmail.com; CIN No.: L65900MH2010PLC210471. There has been no change in name of the Target Company in the last three years.
- 5.2. The Authorized Share Capital of the Company is ₹ 10,00,00,000/- (Rupees Ten Crore Only) divided into 1,00,00,000 equity Shares of ₹ 10/- each. As on date, the issued, subscribed and paid-up capital of the Target Company is ₹ 9,67,75,000/- (Rupees Nine Crore Sixty-Seven Lakhs Seventy-Five Thousand only) divided into 96,77,500 equity Shares of ₹ 10/- each.
- 5.3. As on the date of this DLOF, share capital structure of the Target Company is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares/voting rights	% of Equity Shares/ voting rights
Fully paid-up Equity Shares	96,77,500	100.00
Partly paid-up Equity Shares	NIL	NIL
Total paid-up Equity Shares	96,77,500	100.00
Total voting rights in Target Company	96,77,500	100.00

- 5.4. The Equity Shares of the Target Company got listed on December 22, 2017 on the SME Platform of BSE Limited (BSE SME). The ISIN of Equity Share of the Target Company is INE158R01012. The Equity Shares of the Target Company are frequently traded on BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011. The Equity Shares are placed under Group ‘M’ having a Scrip ID of “DML” and Scrip Code of 540811 on BSE.
- 5.5. Currently, trading of Target Company’s Equity Shares are not suspended from BSE.
- 5.6. There are no Equity Shares of the Target Company that are issued, allotted, but not listed on the BSE.
- 5.7. 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. Further none of the Equity Shares of the Target Company are subject to any lock-in obligations.
- 5.8. The Board of Directors of the Target Company as on the date of DLOF are as under:

Name	DIN	Designation	Date of Initial Appointment
Anilkumar Pannalal Patni	06597013	Managing Director	March 18, 2014
Pradeepkumartana Jankiramulu Naidu	07482458	Wholetime Director	February 08, 2022
Sangeeta Hariprasad Naidu	07484432	Executive cum Woman Director	May 6, 2022
Selvendran Seevanyagam	06755329	Independent Director	February 08, 2022
Parameswarannair Suresh Kumar	05119385	Non-Executive Independent Director	February 08, 2022

As on the date of this DLOF, there are no directors representing the Acquirers and/or PACs on the board of the Target Company.

- 5.9. There has been no merger/de-merger, spin off during last three years involving the Target Company.
- 5.10. As on date of this DLOF, there is below mentioned outstanding punitive action taken by BSE Limited against Target Company:

- a. For Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter March 2022: ₹ 5,900/-
- b. For Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter March 2022: ₹ 1,180/-. The Target Company has made the payment as on September 9, 2022.

5.11. The Target Company or its promoters and promoter group have not been declared as: (i) “wilful defaulter” by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011; or (ii) a “fugitive economic offender” under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018), in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations, 2011.

5.12. Further, there are no directions subsisting or proceedings pending against the Target Company which have been issued/ initiated by: (a) SEBI under SEBI Act, 1992 and the regulations made thereunder; and/ or (b) any other regulator.

5.13. Summary of the un-audited financial statements for the six months ended September 30, 2022 subjected to limited review by the auditor and audited financial statements for the financial year ended March 31, 2022, March 31, 2021, March 31, 2020 are as follows:

(₹ in Lakhs except other financial data)

Particulars	Six months ended September 30, 2022 (Un-audited)	Financial year ended March 31, 2022 (Audited)	Financial year ended March 31, 2021 (Audited)	Financial year ended March 31, 2020 (Audited)
Profit & Loss Statement				
Income from Operations	-	724.19	10.50	71.48
Other Income	-	33.06	18.92	17.41
Total Income	-	757.25	29.43	88.90
Total Expenditure	5.64	750.68	24.30	93.36
Profit Before Depreciation Interest and Tax	(5.64)	6.57	5.13	(4.46)
Depreciation	0.92	0.97	-	-
Interest	-	-	-	-
Profit/(Loss) Before Tax	(6.64)	5.59	5.13	(4.46)
Tax Expenses	-	1.37	0.18	(2.01)
Profit/(Loss) After Tax	(6.64)	4.23	4.95	(2.45)
Other Comprehensive Income / Loss	-	-	-	-
Total Comprehensive Income / Loss	(6.64)	4.23	4.95	(2.45)
Balance Sheet				
Sources of funds				
Paid up share capital	967.75	967.75	967.75	967.75
Reserves and Surplus (excluding revaluation reserves)	93.56	100.19	95.97	91.02
Networth	1,061.31	1,067.94	1,063.71	1,058.77
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Total	1,061.31	1,067.94	1,063.71	1,058.77
Uses of funds				
Net fixed assets	8.72	9.65	0.05	0.05
Investments	51.81	51.81	51.81	51.81
Other Current Assets	3.98	3.98	3.98	3.98
Net current assets	996.71	1,002.41	1,007.86	1,002.91

Particulars	Six months ended September 30, 2022 (Un-audited)	Financial year ended March 31, 2022 (Audited)	Financial year ended March 31, 2021 (Audited)	Financial year ended March 31, 2020 (Audited)
Deferred Tax Assets	0.09	0.09	0.01	0.02
Miscellaneous Expenditure not written off	-	-	-	-
Total	1,061.31	1,067.94	1,063.71	1,058.77
Other Financial Data				
Dividend (%)	-	-	-	-
Earnings Per Share (₹)	(0.07)	0.04	0.05	(0.03)
Return on Net worth (%)	-0.6%	0.4%	0.5%	-0.2%
Book Value Per Share (₹)	10.97	11.04	10.99	10.94

(Source: Certificate dated March 24, 2023 issued by Mr. Nikhil Makhija (Membership No.: 176178), partner of M/s SK JHA & CO., Chartered Accountants (Firm Registration No.: 126173W).

5.14. Pre and Post shareholding pattern of the Target Company and post shareholding pattern of the Target Company is as follows:

Shareholders' Category	Shares / voting rights prior to the SPA / acquisition and the Offer		Shares / voting rights agreed to be acquired which triggered under the SEBI (SAST) Regulations, 2011		Shares / voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and offer (assuming full acceptance)	
	(A)		(B)		(C)		(A) + (B) + (C) = (D)	
	No	%	No	%	No	%	No	%
(1) Promoters Group								
a) Parties to SPA, namely								
1. Dr. Pradeepkumartana Naidu	16,27,500	16.82%	(16,27,500)	(16.82%)	-	-	-	-
2. Dr. Sangeeta Naidu	14,77,500	15.27%	(14,77,500)	(15.27%)	-	-	-	-
3. Mr. Siddhant Pradeep	60,000	0.62%	(60,000)	(0.62%)	-	-	-	-
Total 1(a)	31,65,000	32.70%	(31,65,000)	(32.70%)	-	-	-	-
b) Promoters Other than (a) above	-	-	-	-	-	-	-	-
Total 1(a+b)	31,65,000	32.70%	(31,65,000)	(32.70%)	-	-	-	-
(2) Acquirers and PACS								
a) Acquirers								
1. Mr. Samarth Prabhudas Ramanuj	50,000	0.52%	15,82,500	16.35%	25,20,000	26.04%	57,35,000	59.26%
2. Mr. Raja Utwani	-	-	15,82,500	16.35%	-	-	-	-
Total 2(a)	50,000	0.52%	31,65,000	32.70%	25,20,000	26.04%	57,35,000	59.26%
b) PACs								
1. Ms. Shruti Ramanuj	1,10,000	1.14%	-	-	-	-	1,10,000	1.14%
2. Mr. Lachhman Ghanshamdas Utwani	3,40,000	3.51%	-	-	-	-	3,40,000	3.51%
3. Ms. Meena Lachhmandas Utwani	90,000	0.93%	-	-	-	-	90,000	0.93%
4. Ms. Veena Lachhmandas Utwani	2,10,000	2.17%	-	-	-	-	2,10,000	2.17%
5. Haxco Invest Private Limited	3,40,000	3.51%	-	-	-	-	3,40,000	3.51%
Total 2(b)	10,90,000	11.26%	-	-	-	-	10,90,000	11.26%
Total 2(a+b)	11,40,000	11.78%	31,65,000	32.70%	25,20,000	26.04%	68,25,000	70.52%
(3) Parties to SPA other than (1) & (2) above	-	-	-	-	-	-	-	-
(4) Public Shareholders (i.e. Other than SPA, Acquirers and PACs)								
a) FIs/MFs/FIIs/Banks/SFIs	-	-	-	-	(25,20,000)	(26.04%)	28,52,500	29.48%
b) Others	53,72,500	55.52%	-	-	-	-	-	-
Total 4(a+b)	53,72,500	55.52%	-	-	(25,20,000)	(26.04%)	28,52,500	29.48%
Grand Total (1+2+3+4)	96,77,500	100.00%	-	-	-	-	96,77,500	100.00%

a. Total no. of shareholders in Public Shareholders as on December 31, 2022 is 201.

b. Pursuant to this Offer and the transactions contemplated in the SPA, the Acquirers and PACs shall become the promoter and promoter group of the Target Company and the existing promoter i.e. Promoter Sellers will cease to be the promoter and promoter group of the Target Company in accordance with the provisions of Regulation 31A of the SEBI (LODR) Regulations, 2015.

5.15. 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) Regulations, 2015.

5.16. Acquirers and the PACs have not acquired any Equity Shares after date of PA till the date of this Draft Letter of Offer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1. This Open Offer is pursuant to direct acquisition and is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011.

6.1.2. The Equity Shares of the Target Company are listed on SME Platform of BSE. The Equity Shares are placed under Group 'M' having a Scrip ID of "DML" and Scrip Code of 540811 on BSE.

6.1.3. 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 2022 to February 2023) 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	Annualised trading turnover (as % of total Equity Shares listed)
BSE	1,46,20,000	96,77,500	151.07

(Source: www.bseindia.com)

6.1.4. Based on the above information, 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.

6.1.5. The Offer Price of ₹ 19/- (Rupees Nineteen 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	Highest Negotiated Price per equity share for any acquisition under the Share Purchase Agreement ("SPA")	10.00
2	The volume-weighted average price paid or payable for acquisition by the Acquirers alongwith the PACs during 52 weeks immediately preceding the date of PA	15.31
3	The highest price paid or payable for any acquisition by the Acquirer alongwith the PACs during 26 weeks immediately preceding the date of the PA	18.13
4	The volume-weighted average market price of Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on BSE	15.09

6.1.6. In view of the parameters considered and presented in the table above and in the opinion of the Acquirers alongwith the PACs and Manager to the Offer, the Offer Price of ₹ 19/- (Rupees Nineteen Only) per Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

6.1.7. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011.

- 6.1.8.** 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 Acquirers alongwith the PACs 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.
- 6.1.9.** If the Acquirers and/or the PACs acquire or agree to acquire any Equity Shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations, 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 Acquirers alongwith the PACs shall (i) make corresponding increases to the escrow amount (ii) make public announcement in the same newspapers in which the 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.
- 6.1.10.** If the Acquirers and/or the PACs acquire 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 Acquirers alongwith the PACs 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 acquiring 25,20,000 Equity Shares from all the Public Shareholders of the Target Company at the Offer Price of ₹ 19/- (Rupees Nineteen Only) per Equity Share, assuming full acceptance of the Offer would be ₹ 4,78,80,000 /- (Rupees Four Crore Seventy-Eight Lakh Eighty Thousand only) ("**Maximum Consideration**").
- 6.2.2.** There is no differential pricing for this Offer.
- 6.2.3.** In accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirers have opened an Escrow Account under the name and style of "**DML Ramanuj SP-Open Offer-Escrow Account**" with Axis Bank Limited, at their Kandivali (West), Mumbai Branch, ("**Escrow Banker**") and made therein a cash deposit of ₹ 1,20,00,000/- (Rupees One Crore Twenty Lakh 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.
- 6.2.4.** The Acquirers have authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5.** The Acquirers alongwith the PACs have adequate financial resources and have 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 Acquirers alongwith the PACs through internal accruals and no borrowings from any bank and /or financial institution are envisaged.
- 6.2.6.** Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C), having office at 306, Vraj Valencia, Behind Mahindra Car Show Room, S. G. Highway, Sola, Ahmedabad - 380 060, Gujarat; Tel. No.: +91 88492 42899 vide her certificate dated March 24, 2023 has certified that the Acquirer 1, PAC 1, and PAC 5 have adequate resources to meet the financial requirement of the Open Offer.
- 6.2.7.** Mr. Ronak Mukeshbhai Shah (Membership No.: 603203) partner of M/s. Shah Vagrecha & Associates, Chartered Accountants (Firm Registration No.: 155653W), having office at E-427, Sumel-7, Soni Ni Chali, Opp. Brts Stand, Ahmedabad – 382 350, Gujarat; Tel. No.: +91 84608 76584 vide his certificate

dated March 24, 2023 has certified that the Acquirer 2, PAC 2, PAC 3 and PAC 4 have adequate resources to meet the financial requirement of the Open Offer.

- 6.2.8.** The Liquidity of the Acquirer 1, PAC 1 and PAC 5 as certified vide certificate dated March 24, 2023 issued by Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C), having office at 306, Vraj Valencia, Behind Mahindra Car Show Room, S. G. Highway, Sola, Ahmedabad - 380 060, Gujarat; Tel. No.: +91 88492 42899 is as below:

Acquirer 1	₹ 10,88,024/- (Rupees Ten Lakh Eighty-Eight Thousand Twenty-Four only)
PAC 1	₹ 64,86,325/- (Rupees Sixty-Four Lakh Eighty-Six Thousand Three Hundred Twenty-Five only)
PAC 5	₹ 4,51,17,014/- (Rupees Four Crore Fifty-One Lakh Seventeen Thousand Fourteen only)

- 6.2.9.** The Liquidity of the Acquirer 2, PAC 2, PAC 3 and PAC 4 as certified vide certificate dated March 24, 2023 issued by Mr. Ronak Mukeshbhai Shah (Membership No.: 603203) partner of M/s. Shah Vagrecha & Associates, Chartered Accountants (Firm Registration No.: 155653W), having office at E-427, Sumel-7, Soni Ni Chali, Opp. Brts Stand, Ahmedabad – 382 350, Gujarat; Tel. No.: +91 84608 76584 is as below:

Acquirer 2	₹ 44,88,156.88/- (Rupees Forty-Four Lakh Eighty-Eight Thousand One Hundred Fifty-Six and Eighty-Eight Paise only)
PAC 2	₹ 12,34,10,442.28 (Rupees Twelve Crore Thirty-Four Lakh Ten Thousand Four Hundred Forty-Two and Twenty-Eight Paise only)
PAC 3	₹ 9,58,53,929.69 (Rupees Nine Crore Fifty-Eight Lakh Fifty-Three Thousand Nine Hundred Twenty-Nine and Sixty-Nine Paise only)
PAC 4	₹ 3,17,53,971.88 (Rupees Three Crore Seventeen Lakh Fifty-Three Thousand Nine Hundred Seventy-One and Eighty-Eight Paise only)

- 6.2.10.** 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 Acquirers and the PACs 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 Operational Terms and Conditions

- The Offer is subject to the terms and conditions set out in the LOF, the Form of Acceptance, the PA, the DPS and any other public announcement(s) that may be issued with respect to the Offer.
- The LOF along with Form of Acceptance will be dispatched 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 10, 2023 (“**Identified Date**”).
- The LOF shall be sent through electronic means to Public Shareholder(s) who have registered their email ids with the depositories / the Company and also will be dispatched through physical mode by registered post / speed post / courier. Further, on receipt of request from any Public Shareholder to receive a copy of LOF in physical format, the same shall be provided. Non-receipt of the Letter of Offer by any member entitled to this Offer shall not invalidate the Offer in any manner whatsoever please follow the procedure mentioned in paragraph 8.7.
- A copy of the LOF (along with Form of Acceptance) will also be available on SEBI’s website at www.sebi.gov.in and on the website of Manager to the offer at www.expertglobal.in. The Public Shareholders may download LOF (along with Form of Acceptance) from SEBI’s website or Manager to the Offer’s website.

- e) The Open Offer is not conditional and is not subject to any minimum level of acceptance.
- f) This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- g) 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.
- h) The instructions and provisions contained in the Form of Acceptance constitute an integral part of the terms of this Offer.
- i) The Public Shareholders may tender their Equity Shares in the Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period.
- j) 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 LOF in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- k) Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- l) 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.
- m) The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 10,000 (Ten Thousand).
- n) The Acquirers and the PACs shall not be responsible in any manner for any loss of documents during transit (including but not limited to Open Offer acceptance forms, copies of delivery instruction slip, etc.) and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- o) There has been no revision in the Offer Price or Offer Size as on the date of this Draft Letter of Offer. The Acquirer and the PACs reserve the right to revise the Offer Price and/or the number of Offer Shares upwards at any time prior to the commencement of 1 (one) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations, 2011. In the event of such revision, in terms of Regulation 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 Acquirers alongwith the PACs 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.

7.2 **Locked in Equity Shares:** As on the date of this Draft Letter of Offer none of the Equity Shares of the Target Company are currently locked-in.

7.3 **Eligibility for accepting the Offer**

- a) All the Public Shareholders of the Target Company, whether registered or unregistered 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, are eligible to participate in the Offer.
- b) 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 LOF, may also participate in this Offer

- c) As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, 2015, 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, 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.
- d) The acceptance of this Offer by the Public Shareholders 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.
- e) All Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the 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 and the PACs reserve the right to reject such Equity Shares tendered in this Open Offer.
- f) Further, 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 Acquirers alongwith the PACs reserves the right to reject such Equity Shares tendered in this Offer
- g) The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
- h) The acceptance of Equity Shares tendered in this Open Offer will be made by the Acquirers and/or PACs in consultation with the Manager to the Offer. If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition a maximum of 25,20,000 Equity Shares, representing 26.04% of the Voting Share Capital of the Target Company, in consultation with the Manager to the Offer.
- i) This LOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LOF, 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, PACs or the Manager to the Offer to any new or additional registration requirements.
- j) For any assistance, please contact the Manager to the Offer or the Registrar to the Offer.

7.4 Statutory and Other Approvals

- a) To the best of the knowledge and belief of the Acquirers alongwith the PACs, 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 Acquirers alongwith the PACs 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.
- b) There are no conditions as stipulated in the SPA, 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.
- c) If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and

FII) 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 Acquirers alongwith the PACs reserves the right to reject such Equity Shares tendered in this Offer.

- d) 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 Acquirers alongwith the PACs for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers alongwith the PACs 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 Acquirers alongwith the PACs 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.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1.** All Public Shareholders, registered or unregistered, holding Equity Shares in dematerialized form or physical form, are eligible to participate in this Offer at any time from Offer Opening Date to Offer Closing Date.
- 8.2.** BSE shall be the designated stock exchange for the purpose of tendering shares in the Offer (“**Designated Stock Exchange**”).
- 8.3.** 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 agreed to be acquired in this Offer, the Acquirer shall accept those Equity Shares validly tendered by such Public Shareholders on a proportionate basis in consultation with the Manager to the Offer.

8.4. Procedure for acceptance and settlement of the Offer

- 8.4.1.** The Open Offer will be implemented by the Acquirer and/or the PACs through the stock exchange mechanism made available by BSE in the form of a separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and SEBI circular SEBI/HO/CFD/DCR/III/CIR/P/2021/615 dated August 13, 2021, as amended from time to time, including any guidelines and circulars issued in relation to the same by BSE or the Clearing Corporation (“**Acquisition Window Circulars**”).
- 8.4.2.** The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to the Open Offer shall be available on BSE in the form of a separate Acquisition Window.
- 8.4.3.** The Acquirers have appointed Rikhav Securities Limited (“**Buying Broker**”) as its broker for the Open Offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

Name: Rikhav Securities Limited;

Communication Address: B Wing, Office No. 501 & 502, O2 Commercial Building, Asha Nagar Park Road, Asha Nagar, Mulund West, Mumbai – 400 080;

Contact Person: Mr. Hemant Shah; **Tel. No.:** +91 22 6907 8364; **Fax No.:** +91 22 6907 8300;

Email ID: info@rikhav.net

- 8.4.4.** Public Shareholders who desire to tender their Equity Shares under the Open Offer would have to intimate their respective stock brokers (“**Selling Broker**”) within the normal trading hours of the secondary market, during the Tendering Period. The Selling Brokers can enter bids for dematerialized as well as physical Equity Shares.
- 8.4.5.** The Selling Broker would be required to place a 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. Based on the bid,

Equity Shares would be marked as lien in the respective Demat accounts of Public Shareholders by Depositories.

- 8.4.6.** The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session, at specific intervals, during the Tendering Period.
- 8.4.7.** A separate Acquisition Window will be provided by BSE to facilitate placing of sell orders. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of BSE. Before placing the order /bid, the Selling Broker will be required to mark lien on the tendered Equity Shares in terms of SEBI circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Indian Clearing Corporation Limited (“**Clearing Corporation**”). Upon finalization of the entitlement, only accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder.
- 8.4.8.** Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant).
- 8.4.9.** 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:
- A.** In case of Public Shareholder being an individual:
- a) If Public 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 for Equity Shares in demat mode (demat master/latest demat statement)
- b) If Public 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 for Equity Shares in demat mode (demat master /latest demat statement)

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

- B.** In case of Public Shareholder, being a Hindu Undivided Family (“**HUF**”):
- a) If Public 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 for Equity Shares in demat mode (demat master/latest demat statement)
- b) If Public Shareholder is not registered with KRA: Forms required:
- i. CKYC form of karta including FATCA, IPV, OSV if applicable
 - ii. KRA form
 - iii. KYC form documents required (all documents self-attested):

- PAN card copy of HUF & karta
 - Address proof of HUF & karta
 - HUF declaration
 - Bank details (cancelled cheque)
- iv. Demat details for Equity Shares in demat mode (demat master/latest demat statement)

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

C. In case of Public Shareholder other than Individual and HUF:

- a) If Public Shareholder is KRA registered: Form required
- i. KYC form documents required (all documents certified true copy):
 - Bank details (cancelled cheque)
 - ii. Demat details for Equity Shares in demat mode (demat master/latest demat statement)
 - iii. FATCA, IPV, OSV if applicable
 - iv. Latest list of directors/authorised signatories/partners/trustees
 - v. Latest shareholding pattern
 - vi. Board resolution
 - vii. Details of ultimate beneficial owner along with PAN card and address proof
 - viii. Last 2 years financial statements
- b) If Public Shareholder is not KRA registered: Forms required:
- i. KRA form
 - ii. 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 for Equity Shares in demat mode (demat master/latest demat statement)
 - iv. FATCA, IPV, OSV if applicable
 - v. Latest list of directors/authorised signatories/partners/trustees
 - vi. PAN card copies & address proof of directors/authorised signatories/ partners/trustees
 - vii. Latest shareholding pattern
 - viii. Board resolution/partnership declaration
 - ix. Details of ultimate beneficial owner along with PAN card and address proof Last 2 years financial statements
 - x. Memorandum of association/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 the above-mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

8.4.10. The cumulative confirmed quantity tendered and the demand schedule shall be displayed on BSE's website (www.bseindia.com) throughout the trading session at specific intervals by BSE during the Tendering Period.

8.4.11. Modification/cancellation of bids will not be allowed during the Tendering Period. Multiple bids made by single Public Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.

8.4.12. The reporting requirements for non-resident shareholders under 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.

8.5. Procedure for tendering Equity Shares held in dematerialised form

8.5.1. 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. Public

Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.

- 8.5.2.** 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 BSE. Before placing the bid, the Selling Broker would be required to mark lien on the tendered Equity Shares.
- 8.5.3.** The lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation.
- 8.5.4.** In case, the demat account of the Eligible Public Shareholders is held in one depository and clearing member pool and clearing corporation account is held with another depository, the Equity Shares tendered under this Offer shall be blocked in the Public Shareholders demat account at the source depository during the Tendering Period. Inter Depository Tender Offer ('**IDT**') instruction shall be initiated by the Public Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Public Shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. The details of Equity Shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.
- 8.5.5.** For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering 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 custodian again for confirmation.
- 8.5.6.** Upon placing the bid, the Selling Broker shall provide Transaction Registration Slip ("**TRS**") generated by the stock exchange bidding system to the Public Shareholder. TRS will contain details of order/bid submitted such as bid identification number, depository participant identification, client identification number, number of Equity Shares tendered, etc. On receipt of TRS from the respective Selling Broker, the Public Shareholder has successfully placed the bid in the Open Offer. Modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.
- 8.5.7.** For custodian participants placing orders for Equity Shares in dematerialized form, early payin is mandatory prior to confirmation of the order by the custodian. The custodians shall either confirm or reject orders not later than the time provided by BSE on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 8.5.8.** The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE / the Clearing Corporation, before the opening of the Offer.
- 8.5.9.** Upon finalization of the entitlement, only accepted quantity of Equity Shares shall be debited from the demat account of the Public Shareholders and shall be transferred to Clearing Corporations. The lien marked against unaccepted shares shall be released post finalization of entitlement on settlement date.
- 8.5.10.** In case any person has submitted Equity Shares in physical form for conversion to demat, such Public Shareholders should ensure that the process of getting the Equity Shares converted to demat mode is completed well in time so that they can participate in the Offer before the closure of the Tendering Period.
- 8.5.11. Resident Public Shareholders holding shares in dematerialized form are not required to fill any FOA, unless required by their respective Selling Broker.**

8.6. Procedure for tendering the Equity Shares held in physical form

- 8.6.1.** As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, 2015, 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, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, the procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below.

- 8.6.2.** Public Shareholders who are holding Equity Shares in physical form and intend to participate in the Open 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 (i) original share certificate(s), (ii) valid share transfer form(s), i.e., Form SH-4, duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place, (iii) self-attested copy of the shareholder's PAN card, (iv) FOA duly completed and signed in accordance with the instructions contained therein, by sole/joint Public Shareholders whose name(s) appears on the share certificate(s) in the same order in which they hold Equity Shares, and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.
- 8.6.3.** In addition, if the address of the Public Shareholder has undergone a change from the address registered in the 'Register of Members' of the Target Company, the 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.
- 8.6.4.** Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the Acquisition Window of BSE. Upon placing the bid, the Selling Broker shall provide a 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.
- 8.6.5.** The Selling Broker/ Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post/speed post or courier or hand delivery to the Registrar to the Offer i.e. Purva Sharegistry (India) Private Limited at Unit No. 9, Ground Floor, Shiv Shakti Ind. Esst, J. R. Boricha Marg, Lower Parel East, Mumbai – 400 011, Maharashtra, India; Telephone: +91 22 2301 0771 / 4961 4132; Email: support@purvashare.com; Contact Person: Ms. Deepali Dhuri; so that the same reaches the Registrar to the Offer in no event later than the Offer Closing Date, i.e. Tuesday, June 6, 2023 (by 5.00 p.m. (IST)). The envelope should be super scribed as **“DIGGI MULTITRADE LIMITED – OPEN OFFER”**. **Physical share certificates and other relevant documents should not be sent to the Acquirers, PACs, Target Company or the Manager to the Offer.**
- 8.6.6.** The Public Shareholders holding Equity Shares in physical form should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares in physical form 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 bids 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".
- 8.6.7.** All documents as mentioned above, shall be enclosed with the FOA, 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 FOA instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders; (iii) If the Public 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 FOA and Form SH-4 does not match as per the specimen signature recorded with Target Company/registrar of the Target Company.
- 8.6.8.** In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of having the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective FOA. Detailed procedure for tendering Equity Shares has been included in the FOA.

8.7. Non-resident Public Shareholders (i.e., Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the FOA. The non-resident Public Shareholders holding Equity Shares in dematerialised mode, directly or through their respective Selling Brokers, are required to send the FOA along with the required documents to the Registrar to the Offer, i.e. Purva Share Registry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai – 400 011, Maharashtra, India. The envelope should be superscribed as “**DIGGIMULTITRADE LIMITED – OPEN OFFER**”. The detailed procedure for tendering Equity Shares will be included in the FOA.

8.8. Procedure for tendering the shares in case of non-receipt of LOF:

8.8.1. All the Public Shareholders of the Target Company, whether registered or unregistered who own the Equity Shares at any time prior to the closure of Tendering Period (e.g. (a) who have not received the letter of offer, (b) who have acquired Equity Shares after the Identified Date; (c) unregistered owners, (d) owner of the Equity Shares who have sent the Equity Shares for transfer), including the beneficial owners of the Equity Shares held in dematerialised form, are eligible to participate in the Offer. Accidental omission to send the LOF to any person to whom the Offer is made or the non-receipt or delayed receipt of the LOF by any such person will not invalidate the Offer in any way.

8.8.2. A Public Shareholder may participate in the Open Offer by approaching its broker/Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in the LOF.

8.8.3. The LOF along with the FOA will be sent (through electronic mode or physical mode) to all the Public Shareholders of the Target Company as on the Identified Date. A Public Shareholder receiving the LOF along with the FOA through electronic mode will be entitled to be furnished with a physical copy of the said documents upon receipt of requisition, if any, by e-mail at support@purvashare.com or by a letter addressed to the Registrar to the Offer. In case of non-receipt of the LOF, such Public Shareholders of the Target Company may (i) download the same from the SEBI website (www.sebi.gov.in) and apply by using the same; or (ii) obtain a physical 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. Public Shareholders can also download the soft copy from the Registrar’s website (www.purvashare.com).

8.8.4. Alternatively, in case of non-receipt of the LOF, Public Shareholders holding the Equity Shares may participate in the Open Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, folio number, client ID number, DP name, DP ID number, number of shares being tendered and other relevant documents as mentioned in the LOF. 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. **Physical share certificates and other relevant documents should not be sent to the Acquirers, PACs, Target Company or the Manager to the Offer.**

8.9. Acceptance of Shares

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

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

8.9.3. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 10,000 (Ten Thousand).

8.9.4. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirers and the PACs 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.

8.10. Settlement Process

- 8.10.1.** On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to BSE to facilitate settlement on the basis of the Equity Shares transferred to the Clearing Corporation.
- 8.10.2.** Details in respect of Public Shareholder's entitlement for this Offer shall be provided to Clearing Corporation by Target Company/Registrar to the Offer. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted tender will be transferred to the Clearing Corporation
- 8.10.3.** In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with tender accepted detail as received from the Registrar to the Offer. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the Public Shareholder. Post completion of the Tendering Period and receiving the requisite details viz., demat account details and accepted tendered quantity, source depository shall debit the Equity Shares as per the communication/ message received from target depository to the extent of accepted tendered Equity Shares from the Public Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- 8.10.4.** The settlement of trades shall be carried out in the manner similar to settlement of trades the secondary market in accordance with the Acquisition Window Circulars. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.
- 8.10.5.** The Public Shareholders holding Equity Shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes, keep their depository participant account active and unblocked to successfully facilitate the tendering of the Equity Shares and for release of lien in case of rejection, nonacceptance or prorated acceptance.
- 8.10.6.** For Equity Shares in dematerialised form accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to the demat account. If the relevant Public Shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI/relevant bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to the respective Public Shareholder's account.
- 8.10.7.** In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.
- 8.10.8.** For Equity Shares in physical form, the funds pay-out would be given to Public Shareholder's respective Selling Broker's settlement bank accounts for onward transfer to the respective Public Shareholder's account. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered post back to the Public Shareholder(s) directly by Registrar to the Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.
- 8.10.9.** The direct credit of Equity Shares shall be given to the demat account of the Acquirers as indicated by the Buying Broker.

- 8.10.10.** Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of the Acquirers. The lien marked against unaccepted Equity shares shall be released.
- 8.10.11.** Any Equity Shares that are: (i) subject matter of litigation; or (ii) held in abeyance or prohibited/ restricted from being transferred pursuant to any pending court cases/ attachment orders/ restriction from other statutory authorities; are liable to be rejected unless directions/orders of an appropriate court/tribunal/statutory authority permitting the transfer of such Equity Shares are received together with the Equity Shares tendered under the Open Offer
- 8.10.12.** Buying Broker would also issue a contract note to the Acquirers for the Equity Shares accepted under the Open Offer.
- 8.10.13.** Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number to the Acquirers. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 8.10.14.** Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirers, the PACs and the Manager accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 8.10.15.** In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirers alongwith PACs for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulations 18 (11) and 18(11A) of the SEBI (SAST) Regulations.

9. NOTE ON TAXATION

- 9.1.** 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.
- 9.2.** 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 Acquirers and the PACs do not accept nor holds any responsibility for any tax liability arising to any Public Shareholder as a reason of this Open Offer.
- 9.3.** 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 Acquirers alongwith the PACs 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.
- 9.4.** Interest payment, if any: In case of interest payments by the Acquirers alongwith the PACs for delay in payment of Offer consideration or a part thereof, the Acquirers alongwith the PACs will deduct tax at source, at the applicable rates, as per the Income Tax Act.
- 9.5.** 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

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders at the registered office of the Manager to the Offer at Expert Global Consultants Private Limited, 1511, RG Trade Tower Netaji Subhash Place, Pritampura, New Delhi – 110 034, India, between 10:30 AM and 3:00 PM on any Working Day (except Saturdays, Sundays and public holidays) during the period from the date of commencement of the Tendering Period until the date of closure of the Tendering Period. Copies of these documents will be available for inspection to the Public Shareholders electronically during the Tendering Period. 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 “DML-Open Offer-Documents for Inspection”, to the Manager of the Offer at openoffers@expertglobal.in and upon receipt and processing of the received request, access can be provided to the respective Public Shareholders for electronic inspection of documents:

- 10.1.** Certificate of Incorporation, Memorandum and Articles of Association of the Target Company;
- 10.2.** Annual Reports for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 and un-audited financial statements for the six months ended September 30, 2022 subjected to limited review by the auditor of the Target Company;
- 10.3.** Certificate of Incorporation, Memorandum and Articles of Association of PAC 5;
- 10.4.** Annual Reports for the financial year ended March 31, 2022, and un-audited financial statements for the nine months ended December 31, 2022 subjected to limited review by the auditor of PAC 5;
- 10.5.** Networth Certificate of Acquirer 1 and PAC 1 dated March 24, 2023 issued by Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C), having office at 306, Viraj Valencia, Behind Mahindra Car Show Room, S. G. Highway, Sola, Ahmedabad – 380 060, Gujarat; Tel. No.: +91 88492 42899;
- 10.6.** Networth Certificate of Acquirer 2, PAC 2, PAC 3 and PAC 4 dated March 24, 2023 issued by Mr. Ronak Mukeshbhai Shah (Membership No.: 603203) partner of M/s. Shah Vagrecha & Associates, Chartered Accountants (Firm Registration No.: 155653W), having office at E-427, Sumel-7, Soni Ni Chali, Opp. Brts Stand, Ahmedabad – 382 350, Gujarat; Tel. No.: +91 84608 76584;
- 10.7.** Financial Adequacy Certificate of the Acquirer 1, PAC 1 and PAC 5 dated March 24, 2023 issued by Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C), having office at 306, Viraj Valencia, Behind Mahindra Car Show Room, S. G. Highway, Sola, Ahmedabad – 380 060, Gujarat; Tel. No.: +91 88492 42899;
- 10.8.** Financial Adequacy Certificate of the Acquirer 2, PAC 2, PAC 3 and PAC 4 dated March 24, 2023 issued by Mr. Ronak Mukeshbhai Shah (Membership No.: 603203) partner of M/s. Shah Vagrecha & Associates, Chartered Accountants (Firm Registration No.: 155653W), having office at E-427, Sumel-7, Soni Ni Chali, Opp. Brts Stand, Ahmedabad – 382 350, Gujarat; Tel. No.: +91 84608 76584;
- 10.9.** Financial Certificate of Target Company, Certificate dated March 24, 2023 issued by Mr. Nikhil Makhija (Membership No.: 176178), partner of M/s SK JHA & CO., Chartered Accountants (Firm Registration No.: 126173W);
- 10.10.** Liquidity Certificate of the Acquirer 1, PAC 1 and PAC 5 dated March 24, 2023 issued by Ms. Purvi Sandipkumar Sharda (Membership No.: 144566) partner of M/s. Purvi Sandip Sharda, Chartered Accountants (Firm Registration No.: 0010361C), having office at 306, Vraj Valencia, Behind Mahindra Car Show Room, S. G. Highway, Sola, Ahmedabad - 380 060, Gujarat; Tel. No.: +91 88492 42899;
- 10.11.** Liquidity Certificate of the Acquirer 2, PAC 2, PAC 3 and PAC 4 dated March 24, 2023 issued by Mr. Ronak Mukeshbhai Shah (Membership No.: 603203) partner of M/s. Shah Vagrecha & Associates, Chartered Accountants (Firm Registration No.: 155653W), having office at E-427, Sumel-7, Soni Ni Chali, Opp. Brts Stand, Ahmedabad – 382 350, Gujarat; Tel. No.: +91 84608 76584;
- 10.12.** Copy of the Share Purchase Agreement dated March 24, 2023;
- 10.13.** Copy of Escrow Agreement dated March 24, 2023 entered into between the Acquirers, Escrow Banker and Manager to the Offer;
- 10.14.** Copy of letter received from Axis Bank Limited, confirming the balance of ₹ 1,20,00,000/- in the escrow

account on March 31, 2023;

- 10.15.** Copy of Public Announcement dated March 24, 2023, Detailed Public Statement published in the newspapers on April 3, 2023 and issue opening public announcement dated [●];
- 10.16.** A copy of the recommendation made by the committee of independent directors of the Target Company published in the newspapers on [●];
- 10.17.** Copy of SEBI Observation letter no. [●], dated [●].

11. DECLARATION BY THE ACQUIRERS AND THE PACs

- 11.1.** The Acquirers alongwith the PACs and the directors of PAC 5 severally and jointly accept full responsibility for the information contained in this DLOF except for the information pertaining to the Target Company contained in this DLOF which been obtained from publicly available sources or from the Target Company and also accept responsibility for the obligations of the Acquirers alongwith the PACs as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereto.
- 11.2.** The Acquirers alongwith the PACs shall be jointly and severally responsible for ensuring compliance with the provisions and for its obligations as laid down in the SEBI (SAST) Regulations, 2011.

For and on behalf of Acquirers and the PACs

Sd/- _____ Samarth Prabhudas Ramanuj	Sd/- _____ Raja Lachhmandas Utwani
Sd/- _____ Shruti Ramanuj	Sd/- _____ Lachhman Ghanshamdas Utwani
Sd/- _____ Meena Lachhmandas Utwani	Sd/- _____ Veena Lachhmandas Utwani
For Haxco Invest Private Limited Sd/- Authorised Signatory	

Place: Ahmedabad

Date: April 12, 2023