THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of Regal Entertainment & Consultants Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Open Offer or Registrar to the Open Offer as defined herein below. In case you have recently sold your shares in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed(s) to the Members of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

Mr. Shreyash Chaturvedi ("Acquirer")

Resident Address: F-1402, LA Serena Co-operative Housing Society Limited, Junction of Dadabhai X Road and J.P. Road, Andheri (West), Mumbai-400058, Tel. No.:+91 9768132022, Email: shreyash.chaturvedi89@gmail.com

To the existing Public Shareholders of

Regal Entertainment & Consultants Limited ("Target Company"/"RECL")

Corporate Identification Number (CIN): L65923MH1992PLC064689

Registered Office: 24, Gunbow Street Fort, Mumbai - 400 001.(Tel No. +91-022-22612811; Fax No. +91- 022-22612822)

E-mail: regalcon@rediffmail.com; Web: www.regalentertainment.in

to acquire upto 7,98,746 fully paid up equity shares of Rs.10/- each representing 26% of the voting share capital at a price of Rs.10/- (Rupees Ten only) per fully paid-up share of face value of Rs.10/- each, payable in cash, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (the "**SEBI (SAST) Regulations"/"Regulations**")

Note:

- This Open Offer is being made by the Acquirer pursuant to Regulations 3(1) & 4 of the SEBI (SAST) Regulations
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations
- The Offer is subject to the approval of the Reserve Bank of India ("RBI") for acquisition/ transfer of control of Non-Banking Financial Companies ("NBFCs"). Further, if any Offer Shares are being acquired from any NRIs or erstwhile OCBs the acquisition of such Offer Shares from NRIs and erstwhile OCBs is subject to approval or exemption from the RBI
- Other than as set out paragraph VI of this Draft Letter of Offer, as on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer, there are no statutory or regulatory approvals required to acquire the equity shares by the Acquirer tendered pursuant to this Open Offer. However, in case of any other statutory or regulatory approvals being required and/or become applicable at a later date before the closing of the Tendering Period, this Open Offer would be subject to the receipt of such approvals.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations
- Upward revision/withdrawal, if any, of the Open Offer would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement ('DPS') has appeared. The Acquirer is permitted to revise the Open Offer Size and/or Open Offer Price upwards only at any time prior to the commencement of the last three working days before the commencement of the Tendering Period i.e. 10th October 2016 (Monday). Such revised Open Offer Price would be payable by the Acquirer to all the shareholders who has validly tendered their shares anytime during the Tendering Period. If the Open Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had appeared
- **There has been no competing offer as of the date of this Draft Letter of Offer**
- A copy of the Public Announcement ('PA'), Detailed Public Statement ('DPS') and Draft Letter of Offer (including Form of Acceptance cum Acknowledgment) are available on SEBI's website (www.sebi.gov.in)

MANAGER TO THE OPEN OFFER	REGISTRAR TO THE OPEN OFFER
SMC Capitals Limited 302-303,Enterprise Centre, Near Orchid Hotel, Nehru Road, Vile Parle (East), Mumbai- 400099. **Tel**: +91-22-6648 1818; **Fax**: +91-22-6648 1850 **E-mail**: openoffer@smccapitals.com **Website**: www.smccapitals.com **Contact Person**: Mr. Satish Mangutkar **SEBI Registration No.**: INM000011427	**Bigshare Services Private Limited** E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072 **Tel.**: +91-22-4043 0200 **Fax**: +91-22-2847 5207 **Email**: openoffer@bigshareonline.com **Website**: www.bigshareonline.com **Contact person**: Mr. Ashok Shetty **SEBI Registration No.**: INR000001385

SCHEDULE OF ACTIVITIES OF THE OPEN OFFER IS GIVEN BELOW:

Activity	Date	Day
Public Announcement	22-Aug-16	Monday
Publication of Detailed Public Statement in newspapers	29-Aug-16	Monday
Last date of filing of draft Letter of Offer with SEBI	6-Sep-16	Tuesday
Last date for a Competing Offer	21-Sep-16	Wednesday
Identified date* (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	30-Sep-16	Friday
Date by which Letter of Offer be posted to the shareholders	7-Oct-16	Friday
Last date for upward revision of the Offer Price	10-Oct-16	Monday
Last date for public announcement by the independent directors committee of the Target Company on their recommendation to the shareholders of Target Company for this Open Offer	13-Oct-16	Thursday
Date of publication of Open Offer opening public announcement	17-Oct-16	Monday
Date of opening of the Open Offer	18-Oct-16	Tuesday
Date of Closure of the Open Offer	1-Nov-16	Tuesday
Last date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	16-Nov-16	Wednesday

**Date falling on the 10th Working Day prior to the commencement of the Tendering Period. Identified date is only for the purpose of determining the Public Shareholders of the Target Company to whom the Letter of Offer shall be mailed. It is clarified that all the Public Shareholders (as defined below), registered or unregistered, of the Target Company who own equity shares are eligible to participate in this Offer at any time during the Tendering Period.*

RISK FACTORS:

Given below are the risks related to the transaction, proposed Open Offer and those associated with the Acquirer:

I. Relating to the Transaction:

1. The consummation of the acquisition of the Sale Shares by the Acquirer, as envisaged under the SPA, is subject to satisfaction of all the terms and conditions of the SPA including but not limited to completion of the Open Offer

II. Relating to the Open Offer:

1. To the best of the knowledge of the Acquirer, no statutory or regulatory approvals apart from those mentioned in paragraph VI of the Letter of Offer, are required by the Acquirer to complete this Open Offer. However, in case of any such applicability on a later date and therefore, in the event that either the statutory approvals or regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

2. In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

3. Public Shareholders who tender the equity shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and despatch of consideration are delayed.

III. Relating to the Acquirer and the Target Company:

1. Acquirer has no prior experience of running operations of a Non-Banking Financial Company. Acquirer makes no assurance with respect to the financial performance of the Target Company and their investment/divestment decisions relating to their proposed shareholding in the Target Company.

2. The Acquirer cannot provide any assurance with respect to the market price of the equity shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Offer.

3. The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement(PA)/Detailed Public Statement (DPS)/Letter of Offer (LoF) and anyone placing reliance on any other sources of information, not released by the Acquirer, would be doing so at his / her / its own risk.

4. SEBI may initiate appropriate action against the entities belonging to the existing promoter and promoter group of the Target Company for non-compliance or delay in compliance with the provisions of chapter II of SEBI (SAST) Regulations, 1997 and chapter V of SEBI (SAST) Regulations, 2011

The risk factors set forth above pertain only to the Open Offer and are not intended to be a complete analysis of all risks in relation to the Open Offer or in association with the Acquirer or the Target Company, but are only indicative. The risk factors set forth above, do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in the Open Offer. Public Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for analysing all the risks with respect to their participation in the Open Offer.

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ABBREVIATIONS / DEFINITIONS

Acquirer	Mr. Shreyash Chaturvedi
Board of Directors	Board of Directors of the Target Company
Buyer Member	Acquirer have appointed SMC Global Securities Limited as the registered broker ("**Buyer Member**") through whom the purchases and settlements on account of the Offer would be made by the Acquirer
BSE	BSE Limited
Clearing Corporation	Clearing Corporation of Stock Exchange(s)
Companies Act	The Companies Act, 1956, as amended or modified from time to time and The Companies Act, 2013, as amended or modified from time to time, as the case may be
DP	Depository Participant
Depositories	CDSL and NSDL
DPS / Detailed Public Statement	Detailed Public Statement on behalf of the Acquirer to the Public Shareholders, which was published in all editions of Financial Express (English), all editions of Jansatta (Hindi) and Mumbai Tarun Bharat (Marathi) – Mumbai on 29th August 2016
Escrow Agreement	Escrow Agreement dated 22nd August 2016 between the Acquirer, Escrow Bank and Manager to the Open Offer
Escrow Banker	IndusInd Bank Limited
Equity Share Capital/ Voting Share Capital	Total voting equity share capital of the Target Company
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor registered with SEBI
Form of Acceptance	Form of Acceptance cum Acknowledgement, accompanying with the Letter of Offer
Identified Date	30th September 2016 being the date for the purpose of identifying Public Shareholders of the Target Company to whom the Letter of Offer will be sent
Income Tax Act	Income Tax Act, 1961, as amended from time to time
Manager / Manager to the Open Offer	SMC Capitals Limited, the Merchant Banker appointed by the Acquirer pursuant to the SEBI (SAST) Regulations
NA	Not Applicable
Non-Resident Shareholder(s)	Persons resident outside India as defined under FEMA, holding equity shares of the Target Company
NRI	Non-Resident Indians
OCBs	Overseas Corporate Bodies
Offer/Open Offer	The Offer being made by the Acquirer for acquiring 7,98,746 equity shares representing 26% of the Voting Share Capital, from the Public Shareholders at the Offer Price payable in cash
Open Offer Price	Rs.10/- (Rupees Ten only) per fully paid up equity share
Open Offer Size	7,98,746 equity shares at Rs.10/- each representing 26% of the Voting Share Capital
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on 22nd August 2016
PAN	Permanent Account Number
Public Shareholders	Public shareholders of the Target Company excluding the parties of the SPA dated 22nd August 2016
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Bigshare Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time

Rs./Rupees	Indian Rupees
Sale Shares	10,44,684 equity shares of the Target Company, held by the Sellers, representing 34.01% of the Equity Share Capital of the Target Company
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
SEBI (SAST) Regulations, 2011/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Sellers/Selling Shareholders	Promoters and Promoter Group of the Target Company
Share Purchase Agreement/ SPA	Share Purchase Agreement dated 22nd August 2016 entered into between the Acquirer and the Sellers
Stock Exchange	BSE Limited
Target Company/ RECL	Regal Entertainment & Consultants Limited
Tendering Period / Open Offer Period	Period within which Public Shareholders of Target Company may tender their equity shares in acceptance to the Offer i.e., the period between and including 18th October 2016 (Tuesday) and 1st November 2016 (Tuesday)
Offer / Offering period	Period from the date of entering into an agreement, to acquire shares, voting rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Public Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
Woking Day	A working day of SEBI

I. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF REGAL ENTERTAINMENT & CONSULTANTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, SMC CAPITALS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 2ND SEPTEMBER 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.

II. DETAILS OF THE OPEN OFFER

A. Background of the Open Offer

1. The Open Offer is being made by Acquirer to the Public Shareholders of the Target Company, pursuant to and in compliance with Regulation 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations for substantial acquisition of shares/voting rights accompanied with the change of control and management of the Target Company. The Acquirer is making the Open Offer to the Public Shareholders to acquire up to 7,98,746 equity shares ("Offer Shares") representing 26% of the Voting Share Capital of Target Company.

2. On 22nd August 2016, the Acquirer has entered into a SPA with the existing Promoters and Promoter Group of the Target Company comprising of Mr. Satish Kusumbiwal, Mr. Dinesh Gupta, Satish Kusumbiwal HUF, Dinesh Gupta HUF, Madhu Kusumbiwal, Anita Gupta, Ameya Finvest Private Limited, Abhinikh Trading Private Limited, Data Office Products Private Limited, Dhakla Marketing Private Limited and Anurag Finvest Private Limited (hereinafter referred to as "Sellers"/"Selling Shareholders") for the entire Shareholding held by them i.e. 10,44,684 equity shares representing 34.01% of the Equity Share Capital/Voting Capital of the Target Company ("Sale Shares"), at a price of Rs.10/- (Rupees Ten Only) per equity share ("Negotiated Price"), aggregating to Rs.1,04,46,840 /- (Rupees One Crore Four Lakhs Forty Six Thousand Eight Hundred Forty only) payable in cash, as detailed herein below:

Sr. No.	Name of Sellers	No. of shares / Voting Rights Through SPA	Percentage (%) of Share / Voting Rights to the total shares/Voting Though SPA
1.	Satish Kusumbiwal	2,22,408	7.24%
2.	Dinesh Gupta	1,94,066	6.32%
3.	Anurag Finvest Private Limited	1,51,646	4.94%
4.	Data Office Products Private Limited	1,03,060	3.35%
5.	Abhinikh Trading Private Limited	84,300	2.74%
6.	Dhakla Marketing Private Limited	83,449	2.72%
7.	Satish Kusumbiwal HUF	61,000	1.99%

8.	Madhu Kusumbiwal	59,400	1.93%
9.	Anita Gupta	37,200	1.21%
10.	Ameya Finvest Private Limited	36,655	1.19%
11.	Dinesh Gupta HUF	11,500	0.37%
	Total	**10,44,684**	**34.01%**

3. The salient features of the SPA dated 22nd August 2016 are as under:

a. Purchase and sale of Sale Shares

Subject to the terms and conditions, as stated herein and subject to the Parties complying with the provisions of the Takeover Code, on the Closing Date, Acquirer shall remit the total consideration amount i.e Sale Shares multiplied by Purchase Price ("Total Consideration"), in cash by way of wire transfer/Demand Draft in favour of respective Seller in case of Off-market trade and through exchange payment mechanism in case of market transaction. Post remittance of Total Consideration the Sellers shall Transfer to Acquirer the Sale Shares together with all rights, title and interests therein alongwith respective Delivery Instruction Slips to the Acquirer

b. Purchase Price

The purchase price shall be Rs. 10/- (Rupees Ten Only) per Sale Share to be paid by the Acquirer to the Sellers ("Purchase Price").

c. Closing

i. Subject to satisfaction of the conditions precedent (as defined below), the Closing shall take place after the expiry of twenty-one working days from the date of Detailed Public Statement provided Acquirer deposits 100% of the consideration payable to the Public Shareholders, assuming full acceptance, in the Escrow Account as mentioned under regulation 22(2) of the Takeover Regulations.

ii. The following actions shall take place on or before Closing:
   - On or before Closing, Acquirer shall remit the Total Consideration by way of wire transfer/Demand Draft in favour of respective Seller in case of Off-market trade and through exchange payment mechanism in case of market transaction
   - on Closing the Sellers shall deliver the respective Delivery Instruction Slips to the Acquirer

iii. The Parties confirm that the receipt of the Total Consideration in the Sellers' Bank account shall constitute payment to the Sellers of the entire consideration for the sale of the Sale Shares.

iv. Simultaneously with the event envisaged in point c (ii) above the Sellers and Acquirer shall issue instruction notice to the Company to procure convening of a meeting of the Board immediately, at which meeting the Board shall (a) pass necessary resolutions to take the record of transfer and sale of Sale Shares (b) appoint nominees of the Acquirer as directors on the Board and (c) resignation of the Sellers and nominee of the Sellers as directors on the Board;

v. Company and the Sellers to make the regulatory and statutory filings and compliances as may be required to be made under applicable law or regulation with the Governmental Authorities to give effect to the transactions contemplated in the SPA.

d. Conditions Precedent to Closing

Closing shall not take place unless the following conditions precedent has been satisfied (or waived) hereto:

i. Any Statutory approval required from regulatory authority

ii. The Sellers shall have delivered to the Acquirer, a statement of the dematerialized account of the Sellers alongwith Sellers groups as evidence that the Sellers are the beneficial owners of such number of equity shares representing the Sale Shares;

iii. There shall, in the opinion of the Acquirer, have been no Material Adverse Effect on the business and/or the affairs of the Company;

iv. No debts of any nature whatsoever shall be payable by the Company to third parties, other than those reflected in the Financial Statements

v. The Acquirer having complied with the provisions pertaining to the making of a public offer as required under the Takeover Code, including but not limited to (a) appointment of a merchant banker; (b) creation of Escrow account for the fulfilment of public offer obligations; (c) issuance of a public announcement; (d) issuance of a detailed public statement;

vi. The Acquirer shall have deposited in the escrow account opened under Regulation 17 of the Takeover Code, cash of an amount as required under the Takeover Code.

4. No other person / individual / entity are acting in concert with the Acquirer for the purposes of this Open Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

5. After the completion of this Offer and pursuant to the acquisition of Sale Shares of the Target Company under the SPA, the Acquirer will exercise effective control over the management and affairs of the Target Company replace the Sellers as the promoter of the Target Company and may hold the majority of the equity shares of the Target Company.

6. In accordance with Regulation 22(2) of the SEBI (SAST) Regulations 2011, the Acquirer proposes to complete the acquisition of the Sale Shares, as contemplated under the SPA, as soon as the conditions stipulated in the SPA and the Statutory and other approvals are fulfilled.

7. The Acquirer proposes to appoint its nominees as directors on the Board of Directors of the Target Company after (i) the expiry of 21 working days from the date of the DPS and (ii) the Acquirer having deposited cash equivalent to 100% of the Maximum Consideration (assuming full acceptance) in the Open Offer Escrow Account in terms of Regulation 24(1) of the Regulations and (iii) conditions stipulated in the SPA and the Statutory and other approvals are fulfilled.

8. The Acquirer, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

9. As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

B. Details of the Proposed Offer

1. Pursuant to Public Announcement dated 22nd August 2016, the Acquirer has published a Detailed Public Statement on 29th August 2016, which appeared in the following newspapers, i) Financial Express - English (all editions), (ii) Jansatta-Hindi (all editions) and (iii) Mumbai Tarun Bharat (Marathi) being regional language daily of the place of the stock exchange where equity shares of the Target Company are most frequently traded and also being regional language daily of the place where the registered office of Target Company is located.

   The Public Announcement and Detailed Public Statement are also available on the SEBI website at www.sebi.gov.in.

2. Pursuant to the Open Offer, the Acquirer proposes to acquire upto 7,98,746 equity shares representing 26% of the fully paid-up Voting Share Capital of the Target Company, as of the tenth (10th) working day from

the closure of the tendering period, at the Open Offer Price of Rs. 10/- (Rupees Ten only) per equity share, to be paid in cash, in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS and the Letter of Offer.

3. This Open Offer is being made to all the Public Shareholders of the Target Company (other than the parties to the SPA). All shares validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in the DPS and the Letter of Offer. There shall be no discrimination in the acceptance of locked-in and non locked-in shares in the Open Offer. The shares to be acquired under the Open Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

4. All the equity shares of the Target Company are fully paid up and there are no partly paid up equity shares in the Target Company.

5. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

6. There is no differential pricing for the Offer

7. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations. All shares (up to the maximum number set out above) validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions contained in the DPS and the Letter of Offer. In the event that the shares tendered in the Open Offer by the Public Shareholders are more than the shares to be acquired under the Open Offer, the acquisition of shares from each Public Shareholder will be on a proportionate basis.

8. The Acquirer has not acquired any shares of the Target Company after the date of PA i.e.22nd August 2016 and upto the date of this Draft Letter of Offer.

9. The Manager to the Open Offer does not hold any shares as on the date of this Draft Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

10. The Acquirer may withdraw the Open Offer in accordance with the conditions specified in “Statutory Approvals” under section “Terms and Conditions of the Open Offer” of the Letter of Offer. In the event of such withdrawal, the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, by way of a public announcement in the same newspapers in which the DPS had appeared and simultaneously inform in writing to SEBI, the BSE and the Target Company at its registered office.

11. As per clause 38 of the SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (‘SCRR’), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015

C. Object of the Open Offer

1. This Open Offer is being made to the shareholders of Target Company pursuant to and in compliance with Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011.

2. The main purpose of takeover is to acquire control of the Company and thereafter the Acquirer proposes to continue with the existing business of the Target Company. The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The Acquirer may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.

3. The Acquirer do not have any plans to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years, 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. The reconstituted Board of Directors of the Target Company will take appropriate decisions in these matters, as per the requirements of the business and in line with opportunities or changes in the economic scenario, from time to time. 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 Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company & subject to the provisions of the applicable law as may be required

III. BACKGROUND OF THE ACQUIRER

This Open Offer is being made by Mr. Shreyash Chaturvedi, the Acquirer, to the Public Shareholders of the Target Company: The details of the Acquirer are mentioned below:

1. Mr. Shreyash Chaturvedi aged 27 years, s/o Mr. Vinod Kumar Chaturvedi, residing at F-1402, LA Serena Co-operative Housing Society Limited, Junction of Dadabhai X Road and J.P. Road, Andheri (West), Mumbai-400058 is a commerce graduate from Mumbai University and holds degree of Master of Business Administration from Cardiff University, United Kingdom. He has experience of more than 3 years as a financial risk analyst and currently provides financial advisory on freelancing basis.

2. Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

3. As per certificate dated 18th August 2016 issued by Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91- 9923638908, the networth of Mr. Shreyash Chaturvedi as on 18th August 2016 is Rs. 187.7 Lakhs.

4. Acquirer does not hold directorship in any company.

5. Acquirer holds 23,375 equity shares in the Target Company representing 0.76% of its paid-up capital. The said equity shares were acquired by him on 9th June 2016, 26th July 2016 and 5th August 2016 through off-market transaction at Rs.8.55 /- per equity share. Except for this, he does not have any ownership interest in the Target Company

6. The provisions of chapter V of the SEBI (SAST) Regulations and subsequent amendments thereto are not applicable to the Acquirer

7. There are no persons acting in concert in relation to the Open Offer within the meaning of Regulation 2(1)(q) of the Regulations

IV. BACKGROUND OF THE TARGET COMPANY

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

1. The Target Company is Regal Entertainment & Consultants Limited (CIN L65923MH1992PLC064689). The Target Company was originally promoted by Mrs. M. Narayanan and Mrs. S. Balasubramanian on 1st January 1992 as a Private Limited and later the present management consisting of Mr. Dinesh Gupta, Mr. Satish Kusumbiwal and their associates took over the controlling interest in the Target Company in September 1994. The Target Company was converted into Public Limited Company and obtained fresh change of name certificate on conversion on 14th November 1994. Subsequently, the name was changed from Regal Finance and Consultants Limited to Regal Entertainment & Consultants Ltd. and a fresh change of name certificate was obtained on 19th October 2000. Its registered office is located at 24, Gunbow Street Fort, Mumbai - 400 001. The telephone number of RECL is +91-022- 22612811 and fax number is +91-022- 22612822.

2. The Target Company was originally registered as Regal Finance and Consultants Limited with the Reserve Bank of India ("RBI") under Section 45-IA of the Reserve Bank of India Act, 1934, as a Non Banking Financial institution without accepting public deposits vide certificate of registration No. 13.00442 dated 24th March 1998. Subsequently, with change of name from Regal Finance and Consultants Limited to Regal Entertainment & Consultants Ltd, Target Company obtained fresh certificate of registration dated 2nd May 2016. It is a Non Deposit taking Non-systemically Important Non Banking Finance Company (NBFC-ND-NSI) engaged primarily in the business of advancing loans and investing or trading in securities.

3. The authorized capital of RECL is Rs.500 Lakhs comprising of 50,00,000 equity shares of Rs. 10/- each and Issued & fully paid up equity share capital of is Rs. 307.21 Lakhs consists of 30,72,100 equity shares of Rs. 10/- each. There are no partly paid up shares in RECL.

The issued and paid up share capital structure of the Target Company is as follows:

Paid-up shares	No. of shares/Voting Rights	% shares/Voting Rights
Fully Paid-up equity shares	30,72,100	100%
Partly Paid-up equity shares	Nil	Nil
Total Paid-up equity shares	30,72,100	100%
Total voting rights in Target Company	**30,72,100**	**100%**

4. Pursuant to Public Issue of equity shares during the year 1995, the equity shares were listed on Ahmedabad Stock Exchange Limited (ASE), BSE Limited (BSE), Delhi Stock Exchange Limited (DSE) and Madras Stock Exchange Limited (MSE) out of which RECL has voluntarily delisted its equity shares from Ahmedabad Stock Exchange Limited and Delhi Stock Exchange Limited on 26th July 2000 and 19th October 2011 respectively. Further, since SEBI has de-recognised Madras Stock Exchange Limited vide order dated 14th May 2015, the shares of the Target Company are not listed on MSE. The equity shares of RECL are currently listed on BSE. The scrip ID is 531033 and is traded under 'XD' category.

5. There has not been any non-listing or suspension of any equity shares of the Target Company during last 10 years at BSE Limited.

6. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. There are no partly paid up shares in the Target Company. The Target Company does not have any equity shares under lock-in period.

7. As on the date of the draft Letter of Offer, the Directors representing the Board of Target Company are:

Sr. No.	Name of the Director	Date of Appointment	Designation	DIN
1.	Dinesh Gupta	05/09/1994	Managing Director	00789115
2.	Satish Kusumbiwal	05/09/1994	Jt. Managing Director	00789150
3.	Manish Chaturvedi	21/04/2016	Director	03228708
4.	Kanaiyalal Agrawal	24/03/2003	Director	00594240
5.	Brijesh Kumar Mathur	31/10/2002	Director	02433011
6.	Anita Gupta	17/03/2015	Director	01166701

None of the above Directors are representative of the Acquirer

8. There has been no merger / de-merger or spin off in the Target Company during the past three years.

9. The key financial information of the Target Company based on the audited financial statements for the year ended 31st March, 2014, 31st March, 2015, 31st March, 2016 and Limited Review (Unaudited) for three months ended 30th June, 2016 are as follows:

Profit & Loss Statements

(Rs. in Lakhs)

Particulars		For the Financial year ended 31st March (Audited)		
	Three months period ended 30th June, 2016	2016 (Audited)	2015 (Audited)	2014 (Audited)
Income from operations	4.03	11.03	22.14	8.42
Other Income	0.00	0.00	0.00	0.00
Total Income	4.03	**11.03**	**22.14**	**8.42**
Total Expenditure	11.01	36.15	40.28	15.98
Profit Before Depreciation Interest and Tax	(6.98)	(25.12)	(18.14)	(7.56)
Depreciation	0.01	0.48	1.73	0.73
Interest	0.00	0.00	0.00	0.00
Exceptional Income/(Expense)	0.00	0.00	0.00	0.00
Profit Before Tax	(6.99)	(25.60)	(19.87)	(8.29)
Provision for Tax	0.00	(0.03)	(0.40)	(0.09)
Profit After Tax	**(6.99)**	**(25.57)**	**(19.47)**	**(8.20)**

Balance Sheet Statement

(Rs. in Lakhs, except per share data)

Particulars	As on the year ended 31st March ,		
	2016 (Audited)	2015 (Audited)	2014 (Audited)
Sources of Funds			
Paid up Share Capital	307.21	307.21	307.21
Reserves and Surplus (Excluding Revaluation Reserves)	(103.63)	(78.07)	(58.59)
Networth	**203.58**	**229.14**	**248.62**
Non Current Liabilities	2.50	2.54	2.93
Current Liabilities	4.20	4.93	2.09
Total	**210.28**	**236.61**	**253.64**
Uses of Funds			
Non Current Assets	0.19	1.18	2.81
Current Assets	210.09	235.43	250.84
Total	**210.28**	**236.61**	**253.64**

Other Financial Data			
Dividend (%)	NIL	NIL	NIL
Earnings Per Share - (Rs)	(0.83)	(0.63)	(0.27)

(Source: Annual Reports for the financial years ended 31st March, 2014 and 31st March, 2015, Audited results filed with BSE for financial year 31st March, 2016 and un-audited Financials for the period ended 30th June 2016 subject to limited review by the statutory auditor as filed with BSE Limited).
Note: Balance Sheet figures as on 30th June, 2016 are not available

10. Pre and Post-Offer Shareholding Pattern of the Target Company (considering shareholding information as on 26th August 2016) is as follows:

Shareholders' Category	Shareholding & Voting Rights prior to the SPA/ Acquisition and Offer (A)		shares / voting rights agreed to be Acquired which triggered off the Regulations (B)		shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances) (C)		Shareholding / Voting Rights after the Acquisition and Offer (A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group:								
a) Parties to Agreement								
Mr. Satish Kusumbiwal	2,22,408	7.24	(2,22,408)	(7.24)	-	-	-	-
Mr. Dinesh Gupta	1,94,066	6.32	(1,94,066)	(6.32)	-	-	-	-

Anurag Finvest Private Limited	1,51,646	4.94	(1,51,646)	(4.94)	-	-	-	-
Data Office Products Private Limited	1,03,060	3.35	(1,03,060)	(3.35)	-	-	-	-
Abhinikh Trading Private Limited	84,300	2.74	(84,300)	(2.74)	-	-	-	-
Dhakla Marketing Private Limited	83,449	2.72	(83,449)	(2.72)	-	-	-	-
Satish Kusumbiwal HUF	61,000	1.99	(61,000)	(1.99)	-	-	-	-
Madhu Kusumbiwal	59,400	1.93	(59,400)	(1.93)	-	-	-	-
Anita Gupta	37,200	1.21	(37,200)	(1.21)	-	-	-	-
Ameya Finvest Private Limited	36,655	1.19	(36,655)	(1.21)	-	-	-	-
Dinesh Gupta HUF	11,500	0.37	(11,500)	(0.37)	-	-	-	-
Sub total	**10,44,684**	**34.01**	**(10,44,684)**	**(34.01)**	-	-	-	-
2. Acquirer: Mr. Shreyash Chaturvedi	**23,375***	**0.76***	**10,44,684**	**34.01**	**7,98,746**	**26.00**	**18,66,805**	**60.77**
3. Parties to Agreement other than (1) & (2) above	-	-	-	-	-	-	-	-
4. Public: (Other than parties to Agreement) a) FIs/MFs/FIIs/Banks, SFIs	-	-	-	-	(7,98,746)	(26.00)	12,28,670	39.99
b) Individuals	12,99,655	42.31	-	-				
c) Others	7,27,761	23.69	-	-				
Total (a+b+c)	**20,27,416**	**65.99**	-	-	-	-	**12,28,670**	**39.99**
GRAND TOTAL (1+2+3+4)	**30,72,100**	**100.00**	-	-	-	-	**30,72,100**	**100.00**

* The Equity shares were acquired on 9th June 2016, 26th July 2016 and 5th August 2016 through off-market transaction on off-market basis at a price of Rs.8.55 per Equity Share

Note: Number of Public Shareholders as on 26th August 2016 is 2078

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Open Offer Price

1. This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

2. The equity shares of the Target Company are listed on BSE Limited (BSE). The equity shares of the Target Company are not frequently traded on BSE within the meaning of the Regulation 2(1) (j) of SEBI (SAST) Regulations. The annualized trading turnover in the equity shares of the Target Company on the BSE based on trading volume during the twelve calendar months prior to the month of PA (August 2015to July 2016) is as given below:

Name of Stock Exchange	Total No. of shares traded during the 12 calendar months prior to the month of PA	Total No. of Listed shares	Annualized Trading turnover (in terms of % to total listed equity shares)
BSE	59,249	30,72,100	1.93%

(Source: www.bseindia.com)

3. Based on the parameters set out under Regulation 8(2) of the SEBI (SAST) Regulations for infrequently traded stocks, the Open Offer Price of Rs.10/- (Rupees Ten only) per fully paid up Equity Share is justified in terms of the following:

S. No.	Particulars		Rs.
a)	Negotiated Price under the Agreement	:	10.00
b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any Person Acting in Concert with him, during 52 weeks immediately preceding the date of PA	:	8.55
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any Person Acting in Concert with him, during 26 weeks immediately preceding the date of the PA	:	8.55
d)	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement as traded on BSE (where the shares are frequently traded)	:	Not Applicable
e)	Fair Value determined in accordance with parameters of Regulation 8(2) (e)*		6.63

*The fair value of equity shares is Rs. 6.63 (Rupees) as certified by Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91-9923638908; vide their certificate dated 18th August 2016.

4. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

5. In view of the parameters considered and presented above, in the opinion of the Acquirer and Manager to the Open Offer, the Open Offer Price of Rs.10/-(Rupees Ten only) being the highest of the prices mentioned above, is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations

6. In the event of further acquisition of equity shares of the Target Company by the Acquirer during the Open Offer period, whether by subscription or purchase, at a price higher than the Open Offer Price, then the Open Offer Price will stand revised to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, the Acquirer will not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

7. If the Acquirer acquires shares of the Target Company during the period of twenty six weeks after the closure of tendering period at a price higher than the Open Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Open Offer Price, to all Public Shareholders whose shares have been accepted in this Open 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, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form

8. If there is any revision in the Open Offer Price on account of future purchases / competing offers, such revision will be done only up to the period prior to three (3) working days before the commencement of the tendering period of this Open Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision

9. As on date there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

10. There is no non-compete fee paid by the Acquirer to the Selling Shareholders for acquisition of Sale Shares.

B. Details of Financial Arrangements

1. The total funds required for implementation of the Open Offer (assuming full acceptance), i.e., for the acquisition of 7,98,746 equity shares at a price of Rs.10/- (Rupees Ten only) per equity share is Rs.79,87,460/- (Rupees Seventy nine lakhs eighty seven thousand four hundred sixty only) ("Maximum Consideration").

2. In accordance with Regulation 17 (1) of the SEBI (SAST) Regulations, the Acquirer has opened a "Escrow Account" in the name and style as "REGAL OPEN OFFER ESCROW ACCOUNT" bearing Account No. 201000654130 with IndusInd Bank Limited, Premises No. 61, Sonawala Building, Mumbai Samachar Marg, Fort, Mumbai-400 001 (hereinafter referred to as "Escrow Bank") and deposited an amount of Rs.20,00,000 (Rupees Twenty Lakhs only), in cash, being more than 25% of the Maximum Consideration. The cash deposit has been confirmed vide a confirmation letter dated 24th August 2016 issued by Escrow Bank. The Manager to the Open Offer has been duly authorized to realize the monies lying to the credit of the Open Offer Escrow Account in terms of the SEBI (SAST) Regulations.

3. The Acquirer has made firm financial arrangement for financing the acquisition of equity shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The source for funding the Open Offer is domestic source and these are owned/borrowed funds arranged from personal sources.

4. Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91- 9923638908 vide it certificate dated 18th August 2016 has confirmed that the Networth of the Acquirer is Rs.187.7 Lakhs as on 18th August 2016 and has made firm financial arrangement to meet the financial obligations under the Open Offer to be made to the shareholders of Target Company.

5. Based on the above, the Manager to the Open Offer is satisfied about the ability of the Acquirer to implement the Open Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

6. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations

VI. TERMS AND CONDITIONS OF THE OPEN OFFER

1. The Offer is made to all Public Shareholders as on the Identified Date, and also to persons who acquire equity shares before the closure of the Tendering Period and tender these equity shares into the Offer in accordance with the Letter of Offer

2. This Offer is being made in compliance with regulations 3(1) and 4 of the SEBI Takeover Regulations and is being made as a result of an agreement for a direct acquisition of equity shares and voting rights pursuant to the Share Purchase Agreement. This Offer is not a competing offer under Regulation 20 of the SEBI Takeover Regulations.

3. The Offer is not conditional and is not subject to any minimum level of acceptance and the Acquirer will be obliged to acquire up to 7,98,746 equity shares representing 26% of the total equity shares as of the tenth (10th) Working Day from the closure of the Tendering Period for the Offer from the Public Shareholders, that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the Public Announcement, the DPS and the Letter of Offer

4. The Letter of Offer is being mailed to those Public Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the Beneficial Owners of the equity shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date. Owners of equity shares who are not registered as shareholder(s) are also eligible to participate in the Offer at any time prior to the date of Closure of the Tendering Period i.e. 1st November 2016.

5. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way. The Public Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance cum Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.

6. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such equity shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Tendering Period.

7. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected

8. There shall be no discrimination in the acceptance of locked-in and non locked-in shares in the Open Offer. To the best of the knowledge of the Acquirer, the Target Company has no equity shares that are currently locked-in. (Source: BSE website).

9. The shareholders who tender their equity shares in this Open Offer shall ensure that the equity shares are free and clear from all liens, charges and encumbrances. Acquirer shall acquire the equity shares that are validly accepted in this Open Offer, together with all rights attached thereto, including the rights to dividends, bonuses and rights offers declared thereof.

10. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

11. The instructions, authorisations and provisions contained in the form of acceptance cum acknowledgement constitute an integral part of the terms and conditions of this Offer.

12. In the event that the equity shares tendered in this Open Offer by the Public Shareholders are more than the equity shares to be acquired in this Open Offer, the acquisition of the equity shares from each Public Shareholder will be on a proportionate basis.

13. This Open Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Open Offer would stand withdrawn.

14. The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement duly filled in (for Public Shareholder(s) holding equity shares in physical mode), signed by the Public Shareholder(s), which should be received by the Registrar to the Offer/Clearing Corporation not later than two days from the date of Closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by a Public Shareholder, the Manager to the Offer and the Acquirer reserve the right to reject the acceptance of this Offer by such Public Shareholder.

15. The acceptance of this Offer is entirely at the discretion of the Public Shareholders. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

16. 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

17. STATUTORY APPROVALS

a. The acquisition under the SPA is subject to the approval of the Reserve Bank of India ("RBI") for acquisition/transfer of control of Non-Banking Financial Companies (NBFCs). The Acquirer and the Target Company will issue a Notice in compliance with the Circular(s) issued by the Reserve Bank of India for the proposed acquisition/transfer of control of the Company to the Acquirer upon receipt of the approval of the RBI for acquisition/transfer of control of Non-Banking Financial Companies (NBFCs). The Target Company has submitted an application to RBI on 23rd August 2016 seeking approval for change in control by acquisition of shares by the Acquirer.

b. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer, other than the above, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirer will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made in the same newspapers in which DPS is made.

c. Public Shareholders of the Target Company who are either non-resident Indians ("NRIs") or Overseas Corporate Bodies ("OCBs") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of Reserve Bank of India ("RBI") which have been obtained at the time of acquisition of equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered by such shareholders in the Open Offer.

d. In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company subject to the Acquirer agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.

e. Subject to the receipt of statutory and other approvals, the Acquirer shall complete all procedures relating to this Open Offer within 10 working days from the date of closure of the tendering period to those shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OPEN OFFER

1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI

2. BSE shall be the Stock Exchange for the purpose of tendering equity shares in the Open Offer

3. The Acquirer has appointed SMC Global Securities Ltd ("Buying Broker") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

   The Contact details of the Buying Broker are as mentioned below:

   Address: 1st Floor, Dheeraj Sagar, Opp. Goregon Sports Club, Link Road, Malad (W), Mumbai-400064, India, Office Telephone: +91 22 67341600, Contact Person: Mr. Uday Powale

4. All Public Shareholders who desire to tender their shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during the Tendering Period.

5. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat equity shares as well as physical equity shares

6. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period

7. Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as client (KYC Compliant)

8. **Procedure for tendering equity shares held in dematerialised Form**:

a. The Public Shareholders who are holding the equity shares in demat form and who desire to tender their equity shares in this Offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer

b. The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry

c. For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

d. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer

e. Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Public Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of equity shares tendered etc.

f. The Public Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of equity shares due to rejection or due to prorated Open Offer

g. The Public Shareholders holding equity shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Public Shareholders are advised to retain the acknowledged copy of the Delivery Instruction Slip ("DIS") and the TRS till the completion of Offer Period.

All non-resident Public Shareholders (i.e. Shareholders not residing in India) holding physical and/or demat equity shares and all resident Public Shareholders (i.e. Shareholders residing in India) holding equity shares in physical mode are mandatorily required to fill the Form of Acceptance-Cum Acknowledgement. The non-resident Public Shareholders holding equity shares in demat mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to the Registrar to the Offer at their address given on the cover page of the Letter of Offer. The Public Shareholders (resident and non-resident) holding equity shares in physical mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to their respective Selling Broker who shall forward these documents to the Registrar to the Offer.

9. **Procedure to be followed by registered Public Shareholders holding equity shares in the physical form:**

a. Public Shareholders who are holding physical equity shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
    i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the equity shares;

    ii. Original share certificates

iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Public Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;

iv. Self-attested copy of the Public Shareholder's PAN Card

v. Any other relevant documents such as (but not limited to):

- Duly attested power of attorney if any person other than the Public Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement
- Notarized copy of death certificate / succession certificate or probated will, if the original Public Shareholder has deceased;
- Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

vi. Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Aadhar Card, Voter Identity card, Passport or driving license

b. Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Public Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of equity shares tendered etc.

c. After placement of order, as mentioned in paragraph above, the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 10(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the date of closure of the Tendering Period (by 5 PM). The envelope should be superscribed as "Regal Entertainment & Consultants Limited – Open Offer". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker

d. Public Shareholders holding physical equity shares should note that physical equity shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical bids". Once, Registrar to the Offer confirms the orders it will be treated as "Confirmed Bids"

e. In case any person has submitted equity shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the equity shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date

10. Modification / Cancellation of orders will not be allowed during the period the Offer is open

11. **Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired equity shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. A Public Shareholder may participate in the Offer by approaching their broker and tender equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement. The Letter of Offer along with Form of Acceptancecum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding physical shares and non-resident shareholders may participate in the Offer by using the Form of Acceptance-cum-Acknowledgement that has been

downloaded or by providing their application in plain paper in writing signed by all shareholders, stating names of all shareholders, address, client ID number, DP name, DP ID number, number of shares tendered, investment status (i.e. FDI route or PIS route) and other relevant documents such as physical share certificate and Form SH 4 in case of shares being held in physical form and statutory approval(s), if any. Such 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

12. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any shareholder, shall not invalidate the Offer in any way

13. **Acceptance of Equity Shares**

    Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of equity shares (including demat equity shares and physical equity shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those equity shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, 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

14. **Settlement Process**

    On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of shares transferred to the Clearing Corporation.

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

    The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Public Shareholders. Any excess physical equity shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer

15. **Settlement of Funds / Payment Consideration**

    The settlement of fund obligation for demat and physical equity shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For equity shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Public Shareholders for tendering equity shares in the Offer (secondary market transaction). The consideration received by the selling Public Shareholders from their respective Selling Broker, in respect of accepted equity shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Public Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011

16. **Compliance with Tax Provisions**

a. 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 realised 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

b. 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 DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER

c. Tax deduction at source

   i. In case of resident Public Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer
   ii. 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/ authorised dealers/ tax advisors appropriately

d. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act

e. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer

For Resident Public Shareholders

- ☐ Self-attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (Certificate for Deduction of Tax at Lower Rate)
- ☐ Self declaration in Form 15G / Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For Non-Resident Public Shareholders

- ☐ Self-attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (Certificate for Deduction of Tax at Lower Rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)
- ☐ Tax Residency Certificate and a no 'permanent establishment'/business connection declaration

In an event of non-submission of NOC or Certificate for Deduction of Tax at Nil/Lower Rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category to which the Public Shareholder belongs, by the Acquirer

f. The tax rate and other provisions may undergo changes

g. Issue of Certificate for Deduction of Tax at Source

i. The Acquirer will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of section 203 of the Income Tax Act read with the Income-Tax Rules, 1962
ii. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above

VIII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders at the office of the Manager to the Open Offer at 302-303, Enterprise Centre, Near Orchid Hotel, Nehru Road, Vile Parle (East), Mumbai-99, on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Open Offer until the closure of this Open Offer:

i. Copy of Share Purchase Agreement dated 22nd August 2016entered into between the Acquirer and the Sellers.

ii. Copy of the Open Offer Escrow Agreement dated 22nd August 2016

iii. Annual Financial Statements of the Target Company for the financial years ended 31st March, 2014, 31st March, 2015 and 31st March, 2016

iv. Firm financial arrangements certificates to fulfil the Open Offer obligations, dated 18th August 2016 from Ashwin Nair & Associates

v. Letter dated 24th August 2016from IndusInd Bank Limited confirming the amount kept in the Escrow Account.

vi. Copies of the Public Announcement dated 22nd August 2016 & Detailed Public Statement dated 29th August 2016.

vii. Copy of the recommendation made by the Target Company's Board as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.

viii. Copy of the comments letter received from SEBI; (if any)

IX. DECLARATION BY THE ACQUIRER

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

Mr. Shreyash Chaturvedi

Sd/-

Place: Mumbai
Date: 2nd September 2016

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of Regal Entertainment & Consultants Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Open Offer or Registrar to the Open Offer as defined herein below. In case you have recently sold your shares in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed(s) to the Members of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

Mr. Shreyash Chaturvedi ("Acquirer")

Resident Address: F-1402, LA Serena Co-operative Housing Society Limited, Junction of Dadabhai X Road and J.P. Road, Andheri (West), Mumbai-400058, Tel. No.:+91 9768132022, Email: shreyash.chaturvedi89@gmail.com

To the existing Public Shareholders of

Regal Entertainment & Consultants Limited ("Target Company"/"RECL")

Corporate Identification Number (CIN): L65923MH1992PLC064689

Registered Office: 24, Gunbow Street Fort, Mumbai - 400 001.(Tel No. +91-022-22612811; Fax No. +91- 022-22612822)

E-mail: regalcon@rediffmail.com; Web: www.regalentertainment.in

to acquire upto 7,98,746 fully paid up equity shares of Rs.10/- each representing 26% of the voting share capital at a price of Rs.10/- (Rupees Ten only) per fully paid-up share of face value of Rs.10/- each, payable in cash, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (the "**SEBI (SAST) Regulations"/"Regulations**")

Note:

- This Open Offer is being made by the Acquirer pursuant to Regulations 3(1) & 4 of the SEBI (SAST) Regulations
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations
- The Offer is subject to the approval of the Reserve Bank of India ("RBI") for acquisition/ transfer of control of Non-Banking Financial Companies ("NBFCs"). Further, if any Offer Shares are being acquired from any NRIs or erstwhile OCBs the acquisition of such Offer Shares from NRIs and erstwhile OCBs is subject to approval or exemption from the RBI
- Other than as set out paragraph VI of this Draft Letter of Offer, as on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer, there are no statutory or regulatory approvals required to acquire the equity shares by the Acquirer tendered pursuant to this Open Offer. However, in case of any other statutory or regulatory approvals being required and/or become applicable at a later date before the closing of the Tendering Period, this Open Offer would be subject to the receipt of such approvals.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations
- Upward revision/withdrawal, if any, of the Open Offer would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement ('DPS') has appeared. The Acquirer is permitted to revise the Open Offer Size and/or Open Offer Price upwards only at any time prior to the commencement of the last three working days before the commencement of the Tendering Period i.e. 10th October 2016 (Monday). Such revised Open Offer Price would be payable by the Acquirer to all the shareholders who has validly tendered their shares anytime during the Tendering Period. If the Open Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had appeared
- **There has been no competing offer as of the date of this Draft Letter of Offer**
- A copy of the Public Announcement ('PA'), Detailed Public Statement ('DPS') and Draft Letter of Offer (including Form of Acceptance cum Acknowledgment) are available on SEBI's website (www.sebi.gov.in)

MANAGER TO THE OPEN OFFER	REGISTRAR TO THE OPEN OFFER
SMC Capitals Limited 302-303,Enterprise Centre, Near Orchid Hotel, Nehru Road, Vile Parle (East), Mumbai- 400099. **Tel**: +91-22-6648 1818; **Fax**: +91-22-6648 1850 **E-mail**: openoffer@smccapitals.com **Website**: www.smccapitals.com **Contact Person**: Mr. Satish Mangutkar **SEBI Registration No.**: INM000011427	**Bigshare Services Private Limited** E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072 **Tel.**: +91-22-4043 0200 **Fax**: +91-22-2847 5207 **Email**: openoffer@bigshareonline.com **Website**: www.bigshareonline.com **Contact person**: Mr. Ashok Shetty **SEBI Registration No.**: INR000001385

SCHEDULE OF ACTIVITIES OF THE OPEN OFFER IS GIVEN BELOW:

Activity	Date	Day
Public Announcement	22-Aug-16	Monday
Publication of Detailed Public Statement in newspapers	29-Aug-16	Monday
Last date of filing of draft Letter of Offer with SEBI	6-Sep-16	Tuesday
Last date for a Competing Offer	21-Sep-16	Wednesday
Identified date* (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	30-Sep-16	Friday
Date by which Letter of Offer be posted to the shareholders	7-Oct-16	Friday
Last date for upward revision of the Offer Price	10-Oct-16	Monday
Last date for public announcement by the independent directors committee of the Target Company on their recommendation to the shareholders of Target Company for this Open Offer	13-Oct-16	Thursday
Date of publication of Open Offer opening public announcement	17-Oct-16	Monday
Date of opening of the Open Offer	18-Oct-16	Tuesday
Date of Closure of the Open Offer	1-Nov-16	Tuesday
Last date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	16-Nov-16	Wednesday

**Date falling on the 10th Working Day prior to the commencement of the Tendering Period. Identified date is only for the purpose of determining the Public Shareholders of the Target Company to whom the Letter of Offer shall be mailed. It is clarified that all the Public Shareholders (as defined below), registered or unregistered, of the Target Company who own equity shares are eligible to participate in this Offer at any time during the Tendering Period.*

RISK FACTORS:

Given below are the risks related to the transaction, proposed Open Offer and those associated with the Acquirer:

I. Relating to the Transaction:

1. The consummation of the acquisition of the Sale Shares by the Acquirer, as envisaged under the SPA, is subject to satisfaction of all the terms and conditions of the SPA including but not limited to completion of the Open Offer

II. Relating to the Open Offer:

1. To the best of the knowledge of the Acquirer, no statutory or regulatory approvals apart from those mentioned in paragraph VI of the Letter of Offer, are required by the Acquirer to complete this Open Offer. However, in case of any such applicability on a later date and therefore, in the event that either the statutory approvals or regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

2. In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

3. Public Shareholders who tender the equity shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and despatch of consideration are delayed.

III. Relating to the Acquirer and the Target Company:

1. Acquirer has no prior experience of running operations of a Non-Banking Financial Company. Acquirer makes no assurance with respect to the financial performance of the Target Company and their investment/divestment decisions relating to their proposed shareholding in the Target Company.

2. The Acquirer cannot provide any assurance with respect to the market price of the equity shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Offer.

3. The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement(PA)/Detailed Public Statement (DPS)/Letter of Offer (LoF) and anyone placing reliance on any other sources of information, not released by the Acquirer, would be doing so at his / her / its own risk.

4. SEBI may initiate appropriate action against the entities belonging to the existing promoter and promoter group of the Target Company for non-compliance or delay in compliance with the provisions of chapter II of SEBI (SAST) Regulations, 1997 and chapter V of SEBI (SAST) Regulations, 2011

The risk factors set forth above pertain only to the Open Offer and are not intended to be a complete analysis of all risks in relation to the Open Offer or in association with the Acquirer or the Target Company, but are only indicative. The risk factors set forth above, do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in the Open Offer. Public Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for analysing all the risks with respect to their participation in the Open Offer.

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ABBREVIATIONS / DEFINITIONS

Acquirer	Mr. Shreyash Chaturvedi
Board of Directors	Board of Directors of the Target Company
Buyer Member	Acquirer have appointed SMC Global Securities Limited as the registered broker ("**Buyer Member**") through whom the purchases and settlements on account of the Offer would be made by the Acquirer
BSE	BSE Limited
Clearing Corporation	Clearing Corporation of Stock Exchange(s)
Companies Act	The Companies Act, 1956, as amended or modified from time to time and The Companies Act, 2013, as amended or modified from time to time, as the case may be
DP	Depository Participant
Depositories	CDSL and NSDL
DPS / Detailed Public Statement	Detailed Public Statement on behalf of the Acquirer to the Public Shareholders, which was published in all editions of Financial Express (English), all editions of Jansatta (Hindi) and Mumbai Tarun Bharat (Marathi) – Mumbai on 29th August 2016
Escrow Agreement	Escrow Agreement dated 22nd August 2016 between the Acquirer, Escrow Bank and Manager to the Open Offer
Escrow Banker	IndusInd Bank Limited
Equity Share Capital/ Voting Share Capital	Total voting equity share capital of the Target Company
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor registered with SEBI
Form of Acceptance	Form of Acceptance cum Acknowledgement, accompanying with the Letter of Offer
Identified Date	30th September 2016 being the date for the purpose of identifying Public Shareholders of the Target Company to whom the Letter of Offer will be sent
Income Tax Act	Income Tax Act, 1961, as amended from time to time
Manager / Manager to the Open Offer	SMC Capitals Limited, the Merchant Banker appointed by the Acquirer pursuant to the SEBI (SAST) Regulations
NA	Not Applicable
Non-Resident Shareholder(s)	Persons resident outside India as defined under FEMA, holding equity shares of the Target Company
NRI	Non-Resident Indians
OCBs	Overseas Corporate Bodies
Offer/Open Offer	The Offer being made by the Acquirer for acquiring 7,98,746 equity shares representing 26% of the Voting Share Capital, from the Public Shareholders at the Offer Price payable in cash
Open Offer Price	Rs.10/- (Rupees Ten only) per fully paid up equity share
Open Offer Size	7,98,746 equity shares at Rs.10/- each representing 26% of the Voting Share Capital
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on 22nd August 2016
PAN	Permanent Account Number
Public Shareholders	Public shareholders of the Target Company excluding the parties of the SPA dated 22nd August 2016
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Bigshare Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time

Rs./Rupees	Indian Rupees
Sale Shares	10,44,684 equity shares of the Target Company, held by the Sellers, representing 34.01% of the Equity Share Capital of the Target Company
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
SEBI (SAST) Regulations, 2011/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Sellers/Selling Shareholders	Promoters and Promoter Group of the Target Company
Share Purchase Agreement/ SPA	Share Purchase Agreement dated 22nd August 2016 entered into between the Acquirer and the Sellers
Stock Exchange	BSE Limited
Target Company/ RECL	Regal Entertainment & Consultants Limited
Tendering Period / Open Offer Period	Period within which Public Shareholders of Target Company may tender their equity shares in acceptance to the Offer i.e., the period between and including 18th October 2016 (Tuesday) and 1st November 2016 (Tuesday)
Offer / Offering period	Period from the date of entering into an agreement, to acquire shares, voting rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Public Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
Woking Day	A working day of SEBI

I. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF REGAL ENTERTAINMENT & CONSULTANTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, SMC CAPITALS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 2ND SEPTEMBER 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.

II. DETAILS OF THE OPEN OFFER

A. Background of the Open Offer

1. The Open Offer is being made by Acquirer to the Public Shareholders of the Target Company, pursuant to and in compliance with Regulation 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations for substantial acquisition of shares/voting rights accompanied with the change of control and management of the Target Company. The Acquirer is making the Open Offer to the Public Shareholders to acquire up to 7,98,746 equity shares ("Offer Shares") representing 26% of the Voting Share Capital of Target Company.

2. On 22nd August 2016, the Acquirer has entered into a SPA with the existing Promoters and Promoter Group of the Target Company comprising of Mr. Satish Kusumbiwal, Mr. Dinesh Gupta, Satish Kusumbiwal HUF, Dinesh Gupta HUF, Madhu Kusumbiwal, Anita Gupta, Ameya Finvest Private Limited, Abhinikh Trading Private Limited, Data Office Products Private Limited, Dhakla Marketing Private Limited and Anurag Finvest Private Limited (hereinafter referred to as "Sellers"/"Selling Shareholders") for the entire Shareholding held by them i.e. 10,44,684 equity shares representing 34.01% of the Equity Share Capital/Voting Capital of the Target Company ("Sale Shares"), at a price of Rs.10/- (Rupees Ten Only) per equity share ("Negotiated Price"), aggregating to Rs.1,04,46,840 /- (Rupees One Crore Four Lakhs Forty Six Thousand Eight Hundred Forty only) payable in cash, as detailed herein below:

Sr. No.	Name of Sellers	No. of shares / Voting Rights Through SPA	Percentage (%) of Share / Voting Rights to the total shares/Voting Though SPA
1.	Satish Kusumbiwal	2,22,408	7.24%
2.	Dinesh Gupta	1,94,066	6.32%
3.	Anurag Finvest Private Limited	1,51,646	4.94%
4.	Data Office Products Private Limited	1,03,060	3.35%
5.	Abhinikh Trading Private Limited	84,300	2.74%
6.	Dhakla Marketing Private Limited	83,449	2.72%
7.	Satish Kusumbiwal HUF	61,000	1.99%

8.	Madhu Kusumbiwal	59,400	1.93%
9.	Anita Gupta	37,200	1.21%
10.	Ameya Finvest Private Limited	36,655	1.19%
11.	Dinesh Gupta HUF	11,500	0.37%
	Total	**10,44,684**	**34.01%**

3. The salient features of the SPA dated 22nd August 2016 are as under:

a. Purchase and sale of Sale Shares

Subject to the terms and conditions, as stated herein and subject to the Parties complying with the provisions of the Takeover Code, on the Closing Date, Acquirer shall remit the total consideration amount i.e Sale Shares multiplied by Purchase Price ("Total Consideration"), in cash by way of wire transfer/Demand Draft in favour of respective Seller in case of Off-market trade and through exchange payment mechanism in case of market transaction. Post remittance of Total Consideration the Sellers shall Transfer to Acquirer the Sale Shares together with all rights, title and interests therein alongwith respective Delivery Instruction Slips to the Acquirer

b. Purchase Price

The purchase price shall be Rs. 10/- (Rupees Ten Only) per Sale Share to be paid by the Acquirer to the Sellers ("Purchase Price").

c. Closing

i. Subject to satisfaction of the conditions precedent (as defined below), the Closing shall take place after the expiry of twenty-one working days from the date of Detailed Public Statement provided Acquirer deposits 100% of the consideration payable to the Public Shareholders, assuming full acceptance, in the Escrow Account as mentioned under regulation 22(2) of the Takeover Regulations.

ii. The following actions shall take place on or before Closing:
- On or before Closing, Acquirer shall remit the Total Consideration by way of wire transfer/Demand Draft in favour of respective Seller in case of Off-market trade and through exchange payment mechanism in case of market transaction
- on Closing the Sellers shall deliver the respective Delivery Instruction Slips to the Acquirer

iii. The Parties confirm that the receipt of the Total Consideration in the Sellers' Bank account shall constitute payment to the Sellers of the entire consideration for the sale of the Sale Shares.

iv. Simultaneously with the event envisaged in point c (ii) above the Sellers and Acquirer shall issue instruction notice to the Company to procure convening of a meeting of the Board immediately, at which meeting the Board shall (a) pass necessary resolutions to take the record of transfer and sale of Sale Shares (b) appoint nominees of the Acquirer as directors on the Board and (c) resignation of the Sellers and nominee of the Sellers as directors on the Board;

v. Company and the Sellers to make the regulatory and statutory filings and compliances as may be required to be made under applicable law or regulation with the Governmental Authorities to give effect to the transactions contemplated in the SPA.

d. Conditions Precedent to Closing

Closing shall not take place unless the following conditions precedent has been satisfied (or waived) hereto:

i. Any Statutory approval required from regulatory authority

ii. The Sellers shall have delivered to the Acquirer, a statement of the dematerialized account of the Sellers alongwith Sellers groups as evidence that the Sellers are the beneficial owners of such number of equity shares representing the Sale Shares;

iii. There shall, in the opinion of the Acquirer, have been no Material Adverse Effect on the business and/or the affairs of the Company;

iv. No debts of any nature whatsoever shall be payable by the Company to third parties, other than those reflected in the Financial Statements

v. The Acquirer having complied with the provisions pertaining to the making of a public offer as required under the Takeover Code, including but not limited to (a) appointment of a merchant banker; (b) creation of Escrow account for the fulfilment of public offer obligations; (c) issuance of a public announcement; (d) issuance of a detailed public statement;

vi. The Acquirer shall have deposited in the escrow account opened under Regulation 17 of the Takeover Code, cash of an amount as required under the Takeover Code.

4. No other person / individual / entity are acting in concert with the Acquirer for the purposes of this Open Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

5. After the completion of this Offer and pursuant to the acquisition of Sale Shares of the Target Company under the SPA, the Acquirer will exercise effective control over the management and affairs of the Target Company replace the Sellers as the promoter of the Target Company and may hold the majority of the equity shares of the Target Company.

6. In accordance with Regulation 22(2) of the SEBI (SAST) Regulations 2011, the Acquirer proposes to complete the acquisition of the Sale Shares, as contemplated under the SPA, as soon as the conditions stipulated in the SPA and the Statutory and other approvals are fulfilled.

7. The Acquirer proposes to appoint its nominees as directors on the Board of Directors of the Target Company after (i) the expiry of 21 working days from the date of the DPS and (ii) the Acquirer having deposited cash equivalent to 100% of the Maximum Consideration (assuming full acceptance) in the Open Offer Escrow Account in terms of Regulation 24(1) of the Regulations and (iii) conditions stipulated in the SPA and the Statutory and other approvals are fulfilled.

8. The Acquirer, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

9. As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

B. Details of the Proposed Offer

1. Pursuant to Public Announcement dated 22nd August 2016, the Acquirer has published a Detailed Public Statement on 29th August 2016, which appeared in the following newspapers, i) Financial Express - English (all editions), (ii) Jansatta-Hindi (all editions) and (iii) Mumbai Tarun Bharat (Marathi) being regional language daily of the place of the stock exchange where equity shares of the Target Company are most frequently traded and also being regional language daily of the place where the registered office of Target Company is located.

   The Public Announcement and Detailed Public Statement are also available on the SEBI website at www.sebi.gov.in.

2. Pursuant to the Open Offer, the Acquirer proposes to acquire upto 7,98,746 equity shares representing 26% of the fully paid-up Voting Share Capital of the Target Company, as of the tenth (10th) working day from

the closure of the tendering period, at the Open Offer Price of Rs. 10/- (Rupees Ten only) per equity share, to be paid in cash, in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS and the Letter of Offer.

3. This Open Offer is being made to all the Public Shareholders of the Target Company (other than the parties to the SPA). All shares validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in the DPS and the Letter of Offer. There shall be no discrimination in the acceptance of locked-in and non locked-in shares in the Open Offer. The shares to be acquired under the Open Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

4. All the equity shares of the Target Company are fully paid up and there are no partly paid up equity shares in the Target Company.

5. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

6. There is no differential pricing for the Offer

7. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations. All shares (up to the maximum number set out above) validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions contained in the DPS and the Letter of Offer. In the event that the shares tendered in the Open Offer by the Public Shareholders are more than the shares to be acquired under the Open Offer, the acquisition of shares from each Public Shareholder will be on a proportionate basis.

8. The Acquirer has not acquired any shares of the Target Company after the date of PA i.e.22nd August 2016 and upto the date of this Draft Letter of Offer.

9. The Manager to the Open Offer does not hold any shares as on the date of this Draft Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

10. The Acquirer may withdraw the Open Offer in accordance with the conditions specified in "Statutory Approvals" under section "Terms and Conditions of the Open Offer" of the Letter of Offer. In the event of such withdrawal, the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, by way of a public announcement in the same newspapers in which the DPS had appeared and simultaneously inform in writing to SEBI, the BSE and the Target Company at its registered office.

11. As per clause 38 of the SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015

C. Object of the Open Offer

1. This Open Offer is being made to the shareholders of Target Company pursuant to and in compliance with Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011.

2. The main purpose of takeover is to acquire control of the Company and thereafter the Acquirer proposes to continue with the existing business of the Target Company. The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The Acquirer may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.

3. The Acquirer do not have any plans to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years, 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. The reconstituted Board of Directors of the Target Company will take appropriate decisions in these matters, as per the requirements of the business and in line with opportunities or changes in the economic scenario, from time to time. 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 Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company & subject to the provisions of the applicable law as may be required

III. BACKGROUND OF THE ACQUIRER

This Open Offer is being made by Mr. Shreyash Chaturvedi, the Acquirer, to the Public Shareholders of the Target Company: The details of the Acquirer are mentioned below:

1. Mr. Shreyash Chaturvedi aged 27 years, s/o Mr. Vinod Kumar Chaturvedi, residing at F-1402, LA Serena Co-operative Housing Society Limited, Junction of Dadabhai X Road and J.P. Road, Andheri (West), Mumbai-400058 is a commerce graduate from Mumbai University and holds degree of Master of Business Administration from Cardiff University, United Kingdom. He has experience of more than 3 years as a financial risk analyst and currently provides financial advisory on freelancing basis.

2. Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

3. As per certificate dated 18th August 2016 issued by Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91- 9923638908, the networth of Mr. Shreyash Chaturvedi as on 18th August 2016 is Rs. 187.7 Lakhs.

4. Acquirer does not hold directorship in any company.

5. Acquirer holds 23,375 equity shares in the Target Company representing 0.76% of its paid-up capital. The said equity shares were acquired by him on 9th June 2016, 26th July 2016 and 5th August 2016 through off-market transaction at Rs.8.55 /- per equity share. Except for this, he does not have any ownership interest in the Target Company

6. The provisions of chapter V of the SEBI (SAST) Regulations and subsequent amendments thereto are not applicable to the Acquirer

7. There are no persons acting in concert in relation to the Open Offer within the meaning of Regulation 2(1)(q) of the Regulations

IV. BACKGROUND OF THE TARGET COMPANY

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

1. The Target Company is Regal Entertainment & Consultants Limited (CIN L65923MH1992PLC064689). The Target Company was originally promoted by Mrs. M. Narayanan and Mrs. S. Balasubramanian on 1st January 1992 as a Private Limited and later the present management consisting of Mr. Dinesh Gupta, Mr. Satish Kusumbiwal and their associates took over the controlling interest in the Target Company in September 1994. The Target Company was converted into Public Limited Company and obtained fresh change of name certificate on conversion on 14th November 1994. Subsequently, the name was changed from Regal Finance and Consultants Limited to Regal Entertainment & Consultants Ltd. and a fresh change of name certificate was obtained on 19th October 2000. Its registered office is located at 24, Gunbow Street Fort, Mumbai - 400 001. The telephone number of RECL is +91-022- 22612811 and fax number is +91-022- 22612822.

2. The Target Company was originally registered as Regal Finance and Consultants Limited with the Reserve Bank of India ("RBI") under Section 45-IA of the Reserve Bank of India Act, 1934, as a Non Banking Financial institution without accepting public deposits vide certificate of registration No. 13.00442 dated 24th March 1998. Subsequently, with change of name from Regal Finance and Consultants Limited to Regal Entertainment & Consultants Ltd, Target Company obtained fresh certificate of registration dated 2nd May 2016. It is a Non Deposit taking Non-systemically Important Non Banking Finance Company (NBFC-ND-NSI) engaged primarily in the business of advancing loans and investing or trading in securities.

3. The authorized capital of RECL is Rs.500 Lakhs comprising of 50,00,000 equity shares of Rs. 10/- each and Issued & fully paid up equity share capital of is Rs. 307.21 Lakhs consists of 30,72,100 equity shares of Rs. 10/- each. There are no partly paid up shares in RECL.

   The issued and paid up share capital structure of the Target Company is as follows:

Paid-up shares	No. of shares/Voting Rights	% shares/Voting Rights
Fully Paid-up equity shares	30,72,100	100%
Partly Paid-up equity shares	Nil	Nil
Total Paid-up equity shares	30,72,100	100%
Total voting rights in Target Company	**30,72,100**	**100%**

4. Pursuant to Public Issue of equity shares during the year 1995, the equity shares were listed on Ahmedabad Stock Exchange Limited (ASE), BSE Limited (BSE), Delhi Stock Exchange Limited (DSE) and Madras Stock Exchange Limited (MSE) out of which RECL has voluntarily delisted its equity shares from Ahmedabad Stock Exchange Limited and Delhi Stock Exchange Limited on 26th July 2000 and 19th October 2011 respectively. Further, since SEBI has de-recognised Madras Stock Exchange Limited vide order dated 14th May 2015, the shares of the Target Company are not listed on MSE. The equity shares of RECL are currently listed on BSE. The scrip ID is 531033 and is traded under 'XD' category.

5. There has not been any non-listing or suspension of any equity shares of the Target Company during last 10 years at BSE Limited.

6. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. There are no partly paid up shares in the Target Company. The Target Company does not have any equity shares under lock-in period.

7. As on the date of the draft Letter of Offer, the Directors representing the Board of Target Company are:

Sr. No.	Name of the Director	Date of Appointment	Designation	DIN
1.	Dinesh Gupta	05/09/1994	Managing Director	00789115
2.	Satish Kusumbiwal	05/09/1994	Jt. Managing Director	00789150
3.	Manish Chaturvedi	21/04/2016	Director	03228708
4.	Kanaiyalal Agrawal	24/03/2003	Director	00594240
5.	Brijesh Kumar Mathur	31/10/2002	Director	02433011
6.	Anita Gupta	17/03/2015	Director	01166701

   None of the above Directors are representative of the Acquirer

8. There has been no merger / de-merger or spin off in the Target Company during the past three years.

9. The key financial information of the Target Company based on the audited financial statements for the year ended 31st March, 2014, 31st March, 2015, 31st March, 2016 and Limited Review (Unaudited) for three months ended 30th June, 2016 are as follows:

Profit & Loss Statements

(Rs. in Lakhs)

Particulars		For the Financial year ended 31st March (Audited)		
	Three months period ended 30th June, 2016	2016 (Audited)	2015 (Audited)	2014 (Audited)
Income from operations	4.03	11.03	22.14	8.42
Other Income	0.00	0.00	0.00	0.00
Total Income	4.03	**11.03**	**22.14**	**8.42**
Total Expenditure	11.01	36.15	40.28	15.98
Profit Before Depreciation Interest and Tax	(6.98)	(25.12)	(18.14)	(7.56)
Depreciation	0.01	0.48	1.73	0.73
Interest	0.00	0.00	0.00	0.00
Exceptional Income/(Expense)	0.00	0.00	0.00	0.00
Profit Before Tax	(6.99)	(25.60)	(19.87)	(8.29)
Provision for Tax	0.00	(0.03)	(0.40)	(0.09)
Profit After Tax	**(6.99)**	**(25.57)**	**(19.47)**	**(8.20)**

Balance Sheet Statement

(Rs. in Lakhs, except per share data)

Particulars	As on the year ended 31st March ,		
	2016 (Audited)	2015 (Audited)	2014 (Audited)
Sources of Funds			
Paid up Share Capital	307.21	307.21	307.21
Reserves and Surplus (Excluding Revaluation Reserves)	(103.63)	(78.07)	(58.59)
Networth	**203.58**	**229.14**	**248.62**
Non Current Liabilities	2.50	2.54	2.93
Current Liabilities	4.20	4.93	2.09
Total	**210.28**	**236.61**	**253.64**
Uses of Funds			
Non Current Assets	0.19	1.18	2.81
Current Assets	210.09	235.43	250.84
Total	**210.28**	**236.61**	**253.64**

Other Financial Data			
Dividend (%)	NIL	NIL	NIL
Earnings Per Share - (Rs)	(0.83)	(0.63)	(0.27)

(Source: Annual Reports for the financial years ended 31st March, 2014 and 31st March, 2015, Audited results filed with BSE for financial year 31st March, 2016 and un-audited Financials for the period ended 30th June 2016 subject to limited review by the statutory auditor as filed with BSE Limited).
Note: Balance Sheet figures as on 30th June, 2016 are not available

10. Pre and Post-Offer Shareholding Pattern of the Target Company (considering shareholding information as on 26th August 2016) is as follows:

Shareholders' Category	Shareholding & Voting Rights prior to the SPA/ Acquisition and Offer (A)		shares / voting rights agreed to be Acquired which triggered off the Regulations (B)		shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances) (C)		Shareholding / Voting Rights after the Acquisition and Offer (A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group:								
a) Parties to Agreement								
Mr. Satish Kusumbiwal	2,22,408	7.24	(2,22,408)	(7.24)	-	-	-	-
Mr. Dinesh Gupta	1,94,066	6.32	(1,94,066)	(6.32)	-	-	-	-

Anurag Finvest Private Limited	1,51,646	4.94	(1,51,646)	(4.94)	-	-	-	-
Data Office Products Private Limited	1,03,060	3.35	(1,03,060)	(3.35)	-	-	-	-
Abhinikh Trading Private Limited	84,300	2.74	(84,300)	(2.74)	-	-	-	-
Dhakla Marketing Private Limited	83,449	2.72	(83,449)	(2.72)	-	-	-	-
Satish Kusumbiwal HUF	61,000	1.99	(61,000)	(1.99)	-	-	-	-
Madhu Kusumbiwal	59,400	1.93	(59,400)	(1.93)	-	-	-	-
Anita Gupta	37,200	1.21	(37,200)	(1.21)	-	-	-	-
Ameya Finvest Private Limited	36,655	1.19	(36,655)	(1.21)	-	-	-	-
Dinesh Gupta HUF	11,500	0.37	(11,500)	(0.37)	-	-	-	-
Sub total	**10,44,684**	**34.01**	**(10,44,684)**	**(34.01)**	-	-	-	-
2. Acquirer: Mr. Shreyash Chaturvedi	**23,375***	**0.76***	**10,44,684**	**34.01**	**7,98,746**	**26.00**	**18,66,805**	**60.77**
3. Parties to Agreement other than (1) & (2) above	-	-	-	-	-	-	-	-
4. Public: (Other than parties to Agreement) a) FIs/MFs/FIIs/Banks, SFIs	-	-	-	-	(7,98,746)	(26.00)	12,28,670	39.99
b) Individuals	12,99,655	42.31	-	-				
c) Others	7,27,761	23.69	-	-				
Total (a+b+c)	**20,27,416**	**65.99**	**-**	**-**	**-**	**-**	**12,28,670**	**39.99**
GRAND TOTAL (1+2+3+4)	**30,72,100**	**100.00**	**-**	**-**	**-**	**-**	**30,72,100**	**100.00**

* The Equity shares were acquired on 9th June 2016, 26th July 2016 and 5th August 2016 through off-market transaction on off-market basis at a price of Rs.8.55 per Equity Share

Note: Number of Public Shareholders as on 26th August 2016 is 2078

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Open Offer Price

1. This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

2. The equity shares of the Target Company are listed on BSE Limited (BSE). The equity shares of the Target Company are not frequently traded on BSE within the meaning of the Regulation 2(1) (j) of SEBI (SAST) Regulations. The annualized trading turnover in the equity shares of the Target Company on the BSE based on trading volume during the twelve calendar months prior to the month of PA (August 2015to July 2016) is as given below:

Name of Stock Exchange	Total No. of shares traded during the 12 calendar months prior to the month of PA	Total No. of Listed shares	Annualized Trading turnover (in terms of % to total listed equity shares)
BSE	59,249	30,72,100	1.93%

(Source: www.bseindia.com)

3. Based on the parameters set out under Regulation 8(2) of the SEBI (SAST) Regulations for infrequently traded stocks, the Open Offer Price of Rs.10/- (Rupees Ten only) per fully paid up Equity Share is justified in terms of the following:

S. No.	Particulars		Rs.
a)	Negotiated Price under the Agreement	:	10.00
b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any Person Acting in Concert with him, during 52 weeks immediately preceding the date of PA	:	8.55
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any Person Acting in Concert with him, during 26 weeks immediately preceding the date of the PA	:	8.55
d)	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement as traded on BSE (where the shares are frequently traded)	:	Not Applicable
e)	Fair Value determined in accordance with parameters of Regulation 8(2) (e)*		6.63

*The fair value of equity shares is Rs. 6.63 (Rupees) as certified by Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91-9923638908; vide their certificate dated 18th August 2016.

4. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

5. In view of the parameters considered and presented above, in the opinion of the Acquirer and Manager to the Open Offer, the Open Offer Price of Rs.10/-(Rupees Ten only) being the highest of the prices mentioned above, is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations

6. In the event of further acquisition of equity shares of the Target Company by the Acquirer during the Open Offer period, whether by subscription or purchase, at a price higher than the Open Offer Price, then the Open Offer Price will stand revised to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, the Acquirer will not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

7. If the Acquirer acquires shares of the Target Company during the period of twenty six weeks after the closure of tendering period at a price higher than the Open Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Open Offer Price, to all Public Shareholders whose shares have been accepted in this Open 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, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form

8. If there is any revision in the Open Offer Price on account of future purchases / competing offers, such revision will be done only up to the period prior to three (3) working days before the commencement of the tendering period of this Open Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision

9. As on date there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

10. There is no non-compete fee paid by the Acquirer to the Selling Shareholders for acquisition of Sale Shares.

B. Details of Financial Arrangements

1. The total funds required for implementation of the Open Offer (assuming full acceptance), i.e., for the acquisition of 7,98,746 equity shares at a price of Rs.10/- (Rupees Ten only) per equity share is Rs.79,87,460/- (Rupees Seventy nine lakhs eighty seven thousand four hundred sixty only) ("Maximum Consideration").

2. In accordance with Regulation 17 (1) of the SEBI (SAST) Regulations, the Acquirer has opened a "Escrow Account" in the name and style as "REGAL OPEN OFFER ESCROW ACCOUNT" bearing Account No. 201000654130 with IndusInd Bank Limited, Premises No. 61, Sonawala Building, Mumbai Samachar Marg, Fort, Mumbai-400 001 (hereinafter referred to as "Escrow Bank") and deposited an amount of Rs.20,00,000 (Rupees Twenty Lakhs only), in cash, being more than 25% of the Maximum Consideration. The cash deposit has been confirmed vide a confirmation letter dated 24th August 2016 issued by Escrow Bank. The Manager to the Open Offer has been duly authorized to realize the monies lying to the credit of the Open Offer Escrow Account in terms of the SEBI (SAST) Regulations.

3. The Acquirer has made firm financial arrangement for financing the acquisition of equity shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The source for funding the Open Offer is domestic source and these are owned/borrowed funds arranged from personal sources.

4. Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91- 9923638908 vide it certificate dated 18th August 2016 has confirmed that the Networth of the Acquirer is Rs.187.7 Lakhs as on 18th August 2016 and has made firm financial arrangement to meet the financial obligations under the Open Offer to be made to the shareholders of Target Company.

5. Based on the above, the Manager to the Open Offer is satisfied about the ability of the Acquirer to implement the Open Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

6. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations

VI. TERMS AND CONDITIONS OF THE OPEN OFFER

1. The Offer is made to all Public Shareholders as on the Identified Date, and also to persons who acquire equity shares before the closure of the Tendering Period and tender these equity shares into the Offer in accordance with the Letter of Offer

2. This Offer is being made in compliance with regulations 3(1) and 4 of the SEBI Takeover Regulations and is being made as a result of an agreement for a direct acquisition of equity shares and voting rights pursuant to the Share Purchase Agreement. This Offer is not a competing offer under Regulation 20 of the SEBI Takeover Regulations.

3. The Offer is not conditional and is not subject to any minimum level of acceptance and the Acquirer will be obliged to acquire up to 7,98,746 equity shares representing 26% of the total equity shares as of the tenth (10th) Working Day from the closure of the Tendering Period for the Offer from the Public Shareholders, that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the Public Announcement, the DPS and the Letter of Offer

4. The Letter of Offer is being mailed to those Public Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the Beneficial Owners of the equity shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date. Owners of equity shares who are not registered as shareholder(s) are also eligible to participate in the Offer at any time prior to the date of Closure of the Tendering Period i.e. 1st November 2016.

5. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way. The Public Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance cum Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.

6. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such equity shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Tendering Period.

7. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected

8. There shall be no discrimination in the acceptance of locked-in and non locked-in shares in the Open Offer. To the best of the knowledge of the Acquirer, the Target Company has no equity shares that are currently locked-in. (Source: BSE website).

9. The shareholders who tender their equity shares in this Open Offer shall ensure that the equity shares are free and clear from all liens, charges and encumbrances. Acquirer shall acquire the equity shares that are validly accepted in this Open Offer, together with all rights attached thereto, including the rights to dividends, bonuses and rights offers declared thereof.

10. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

11. The instructions, authorisations and provisions contained in the form of acceptance cum acknowledgement constitute an integral part of the terms and conditions of this Offer.

12. In the event that the equity shares tendered in this Open Offer by the Public Shareholders are more than the equity shares to be acquired in this Open Offer, the acquisition of the equity shares from each Public Shareholder will be on a proportionate basis.

13. This Open Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Open Offer would stand withdrawn.

14. The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement duly filled in (for Public Shareholder(s) holding equity shares in physical mode), signed by the Public Shareholder(s), which should be received by the Registrar to the Offer/Clearing Corporation not later than two days from the date of Closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by a Public Shareholder, the Manager to the Offer and the Acquirer reserve the right to reject the acceptance of this Offer by such Public Shareholder.

15. The acceptance of this Offer is entirely at the discretion of the Public Shareholders. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

16. 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

17. STATUTORY APPROVALS

a. The acquisition under the SPA is subject to the approval of the Reserve Bank of India ("RBI") for acquisition/transfer of control of Non-Banking Financial Companies (NBFCs). The Acquirer and the Target Company will issue a Notice in compliance with the Circular(s) issued by the Reserve Bank of India for the proposed acquisition/transfer of control of the Company to the Acquirer upon receipt of the approval of the RBI for acquisition/transfer of control of Non-Banking Financial Companies (NBFCs). The Target Company has submitted an application to RBI on 23rd August 2016 seeking approval for change in control by acquisition of shares by the Acquirer.

b. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer, other than the above, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirer will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made in the same newspapers in which DPS is made.

c. Public Shareholders of the Target Company who are either non-resident Indians ("NRIs") or Overseas Corporate Bodies ("OCBs") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of Reserve Bank of India ("RBI") which have been obtained at the time of acquisition of equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered by such shareholders in the Open Offer.

d. In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company subject to the Acquirer agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.

e. Subject to the receipt of statutory and other approvals, the Acquirer shall complete all procedures relating to this Open Offer within 10 working days from the date of closure of the tendering period to those shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OPEN OFFER

1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI

2. BSE shall be the Stock Exchange for the purpose of tendering equity shares in the Open Offer

3. The Acquirer has appointed SMC Global Securities Ltd ("Buying Broker") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

   The Contact details of the Buying Broker are as mentioned below:

   Address: 1st Floor, Dheeraj Sagar, Opp. Goregon Sports Club, Link Road, Malad (W), Mumbai-400064, India, Office Telephone: +91 22 67341600, Contact Person: Mr. Uday Powale

4. All Public Shareholders who desire to tender their shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during the Tendering Period.

5. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat equity shares as well as physical equity shares

6. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period

7. Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as client (KYC Compliant)

8. **Procedure for tendering equity shares held in dematerialised Form**:

a. The Public Shareholders who are holding the equity shares in demat form and who desire to tender their equity shares in this Offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer

b. The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry

c. For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

d. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer

e. Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Public Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of equity shares tendered etc.

f. The Public Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of equity shares due to rejection or due to prorated Open Offer

g. The Public Shareholders holding equity shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Public Shareholders are advised to retain the acknowledged copy of the Delivery Instruction Slip ("DIS") and the TRS till the completion of Offer Period.

All non-resident Public Shareholders (i.e. Shareholders not residing in India) holding physical and/or demat equity shares and all resident Public Shareholders (i.e. Shareholders residing in India) holding equity shares in physical mode are mandatorily required to fill the Form of Acceptance-Cum Acknowledgement. The non-resident Public Shareholders holding equity shares in demat mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to the Registrar to the Offer at their address given on the cover page of the Letter of Offer. The Public Shareholders (resident and non-resident) holding equity shares in physical mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to their respective Selling Broker who shall forward these documents to the Registrar to the Offer.

9. **Procedure to be followed by registered Public Shareholders holding equity shares in the physical form:**

a. Public Shareholders who are holding physical equity shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
   i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the equity shares;

   ii. Original share certificates

iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Public Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;

iv. Self-attested copy of the Public Shareholder's PAN Card

v. Any other relevant documents such as (but not limited to):

- Duly attested power of attorney if any person other than the Public Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement
- Notarized copy of death certificate / succession certificate or probated will, if the original Public Shareholder has deceased;
- Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

vi. Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Aadhar Card, Voter Identity card, Passport or driving license

b. Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Public Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of equity shares tendered etc.

c. After placement of order, as mentioned in paragraph above, the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 10(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the date of closure of the Tendering Period (by 5 PM). The envelope should be superscribed as "Regal Entertainment & Consultants Limited – Open Offer". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker

d. Public Shareholders holding physical equity shares should note that physical equity shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical bids". Once, Registrar to the Offer confirms the orders it will be treated as "Confirmed Bids"

e. In case any person has submitted equity shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the equity shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date

10. Modification / Cancellation of orders will not be allowed during the period the Offer is open

11. **Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired equity shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. A Public Shareholder may participate in the Offer by approaching their broker and tender equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement. The Letter of Offer along with Form of Acceptancecum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding physical shares and non-resident shareholders may participate in the Offer by using the Form of Acceptance-cum-Acknowledgement that has been

downloaded or by providing their application in plain paper in writing signed by all shareholders, stating names of all shareholders, address, client ID number, DP name, DP ID number, number of shares tendered, investment status (i.e. FDI route or PIS route) and other relevant documents such as physical share certificate and Form SH 4 in case of shares being held in physical form and statutory approval(s), if any. Such 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

12. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any shareholder, shall not invalidate the Offer in any way

13. **Acceptance of Equity Shares**

    Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of equity shares (including demat equity shares and physical equity shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those equity shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, 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

14. **Settlement Process**

    On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of shares transferred to the Clearing Corporation.

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

    The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Public Shareholders. Any excess physical equity shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer

15. **Settlement of Funds / Payment Consideration**

    The settlement of fund obligation for demat and physical equity shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For equity shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Public Shareholders for tendering equity shares in the Offer (secondary market transaction). The consideration received by the selling Public Shareholders from their respective Selling Broker, in respect of accepted equity shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Public Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011

16. **Compliance with Tax Provisions**

a. 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 realised 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

b. 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 DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER

c. Tax deduction at source

   i. In case of resident Public Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer
   ii. 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/ authorised dealers/ tax advisors appropriately

d. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act

e. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer

For Resident Public Shareholders

- ☐ Self-attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (Certificate for Deduction of Tax at Lower Rate)
- ☐ Self declaration in Form 15G / Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For Non-Resident Public Shareholders

- ☐ Self-attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (Certificate for Deduction of Tax at Lower Rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)
- ☐ Tax Residency Certificate and a no 'permanent establishment'/business connection declaration

In an event of non-submission of NOC or Certificate for Deduction of Tax at Nil/Lower Rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category to which the Public Shareholder belongs, by the Acquirer

f. The tax rate and other provisions may undergo changes

g. Issue of Certificate for Deduction of Tax at Source

i. The Acquirer will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of section 203 of the Income Tax Act read with the Income-Tax Rules, 1962

ii. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above

VIII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders at the office of the Manager to the Open Offer at 302-303, Enterprise Centre, Near Orchid Hotel, Nehru Road, Vile Parle (East), Mumbai-99, on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Open Offer until the closure of this Open Offer:

i. Copy of Share Purchase Agreement dated 22nd August 2016entered into between the Acquirer and the Sellers.

ii. Copy of the Open Offer Escrow Agreement dated 22nd August 2016

iii. Annual Financial Statements of the Target Company for the financial years ended 31st March, 2014, 31st March, 2015 and 31st March, 2016

iv. Firm financial arrangements certificates to fulfil the Open Offer obligations, dated 18th August 2016 from Ashwin Nair & Associates

v. Letter dated 24th August 2016from IndusInd Bank Limited confirming the amount kept in the Escrow Account.

vi. Copies of the Public Announcement dated 22nd August 2016 & Detailed Public Statement dated 29th August 2016.

vii. Copy of the recommendation made by the Target Company's Board as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.

viii. Copy of the comments letter received from SEBI; (if any)

IX. DECLARATION BY THE ACQUIRER

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

Mr. Shreyash Chaturvedi

Sd/-

Place: Mumbai
Date: 2nd September 2016

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of Regal Entertainment & Consultants Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Open Offer or Registrar to the Open Offer as defined herein below. In case you have recently sold your shares in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed(s) to the Members of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

Mr. Shreyash Chaturvedi ("Acquirer")

Resident Address: F-1402, LA Serena Co-operative Housing Society Limited, Junction of Dadabhai X Road and J.P. Road, Andheri (West), Mumbai-400058, Tel. No.:+91 9768132022, Email: shreyash.chaturvedi89@gmail.com

To the existing Public Shareholders of

Regal Entertainment & Consultants Limited ("Target Company"/"RECL")

Corporate Identification Number (CIN): L65923MH1992PLC064689

Registered Office: 24, Gunbow Street Fort, Mumbai - 400 001.(Tel No. +91-022-22612811; Fax No. +91- 022-22612822)
E-mail: regalcon@rediffmail.com; Web: www.regalentertainment.in

to acquire upto 7,98,746 fully paid up equity shares of Rs.10/- each representing 26% of the voting share capital at a price of Rs.10/- (Rupees Ten only) per fully paid-up share of face value of Rs.10/- each, payable in cash, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (the "**SEBI (SAST) Regulations"/"Regulations**")

Note:

- This Open Offer is being made by the Acquirer pursuant to Regulations 3(1) & 4 of the SEBI (SAST) Regulations
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations
- The Offer is subject to the approval of the Reserve Bank of India ("RBI") for acquisition/ transfer of control of Non-Banking Financial Companies ("NBFCs"). Further, if any Offer Shares are being acquired from any NRIs or erstwhile OCBs the acquisition of such Offer Shares from NRIs and erstwhile OCBs is subject to approval or exemption from the RBI
- Other than as set out paragraph VI of this Draft Letter of Offer, as on the date of this Draft Letter of Offer, to the best of the knowledge and belief of the Acquirer, there are no statutory or regulatory approvals required to acquire the equity shares by the Acquirer tendered pursuant to this Open Offer. However, in case of any other statutory or regulatory approvals being required and/or become applicable at a later date before the closing of the Tendering Period, this Open Offer would be subject to the receipt of such approvals.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations
- Upward revision/withdrawal, if any, of the Open Offer would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement ('DPS') has appeared. The Acquirer is permitted to revise the Open Offer Size and/or Open Offer Price upwards only at any time prior to the commencement of the last three working days before the commencement of the Tendering Period i.e. 10th October 2016 (Monday). Such revised Open Offer Price would be payable by the Acquirer to all the shareholders who has validly tendered their shares anytime during the Tendering Period. If the Open Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had appeared
- **There has been no competing offer as of the date of this Draft Letter of Offer**
- A copy of the Public Announcement ('PA'), Detailed Public Statement ('DPS') and Draft Letter of Offer (including Form of Acceptance cum Acknowledgment) are available on SEBI's website (www.sebi.gov.in)

MANAGER TO THE OPEN OFFER	REGISTRAR TO THE OPEN OFFER
SMC Capitals Limited 302-303,Enterprise Centre, Near Orchid Hotel, Nehru Road, Vile Parle (East), Mumbai- 400099. **Tel**: +91-22-6648 1818; **Fax**: +91-22-6648 1850 **E-mail**: openoffer@smccapitals.com **Website**: www.smccapitals.com **Contact Person**: Mr. Satish Mangutkar **SEBI Registration No.**: INM000011427	**Bigshare Services Private Limited** E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072 **Tel.**: +91-22-4043 0200 **Fax**: +91-22-2847 5207 **Email**: openoffer@bigshareonline.com **Website**: www.bigshareonline.com **Contact person**: Mr. Ashok Shetty **SEBI Registration No.**: INR000001385

SCHEDULE OF ACTIVITIES OF THE OPEN OFFER IS GIVEN BELOW:

Activity	Date	Day
Public Announcement	22-Aug-16	Monday
Publication of Detailed Public Statement in newspapers	29-Aug-16	Monday
Last date of filing of draft Letter of Offer with SEBI	6-Sep-16	Tuesday
Last date for a Competing Offer	21-Sep-16	Wednesday
Identified date* (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	30-Sep-16	Friday
Date by which Letter of Offer be posted to the shareholders	7-Oct-16	Friday
Last date for upward revision of the Offer Price	10-Oct-16	Monday
Last date for public announcement by the independent directors committee of the Target Company on their recommendation to the shareholders of Target Company for this Open Offer	13-Oct-16	Thursday
Date of publication of Open Offer opening public announcement	17-Oct-16	Monday
Date of opening of the Open Offer	18-Oct-16	Tuesday
Date of Closure of the Open Offer	1-Nov-16	Tuesday
Last date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	16-Nov-16	Wednesday

**Date falling on the 10th Working Day prior to the commencement of the Tendering Period. Identified date is only for the purpose of determining the Public Shareholders of the Target Company to whom the Letter of Offer shall be mailed. It is clarified that all the Public Shareholders (as defined below), registered or unregistered, of the Target Company who own equity shares are eligible to participate in this Offer at any time during the Tendering Period.*

RISK FACTORS:

Given below are the risks related to the transaction, proposed Open Offer and those associated with the Acquirer:

I. Relating to the Transaction:

1. The consummation of the acquisition of the Sale Shares by the Acquirer, as envisaged under the SPA, is subject to satisfaction of all the terms and conditions of the SPA including but not limited to completion of the Open Offer

II. Relating to the Open Offer:

1. To the best of the knowledge of the Acquirer, no statutory or regulatory approvals apart from those mentioned in paragraph VI of the Letter of Offer, are required by the Acquirer to complete this Open Offer. However, in case of any such applicability on a later date and therefore, in the event that either the statutory approvals or regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

2. In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

3. Public Shareholders who tender the equity shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and despatch of consideration are delayed.

III. Relating to the Acquirer and the Target Company:

1. Acquirer has no prior experience of running operations of a Non-Banking Financial Company. Acquirer makes no assurance with respect to the financial performance of the Target Company and their investment/divestment decisions relating to their proposed shareholding in the Target Company.

2. The Acquirer cannot provide any assurance with respect to the market price of the equity shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Offer.

3. The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement(PA)/Detailed Public Statement (DPS)/Letter of Offer (LoF) and anyone placing reliance on any other sources of information, not released by the Acquirer, would be doing so at his / her / its own risk.

4. SEBI may initiate appropriate action against the entities belonging to the existing promoter and promoter group of the Target Company for non-compliance or delay in compliance with the provisions of chapter II of SEBI (SAST) Regulations, 1997 and chapter V of SEBI (SAST) Regulations, 2011

The risk factors set forth above pertain only to the Open Offer and are not intended to be a complete analysis of all risks in relation to the Open Offer or in association with the Acquirer or the Target Company, but are only indicative. The risk factors set forth above, do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in the Open Offer. Public Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for analysing all the risks with respect to their participation in the Open Offer.

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ABBREVIATIONS / DEFINITIONS

Acquirer	Mr. Shreyash Chaturvedi
Board of Directors	Board of Directors of the Target Company
Buyer Member	Acquirer have appointed SMC Global Securities Limited as the registered broker ("**Buyer Member**") through whom the purchases and settlements on account of the Offer would be made by the Acquirer
BSE	BSE Limited
Clearing Corporation	Clearing Corporation of Stock Exchange(s)
Companies Act	The Companies Act, 1956, as amended or modified from time to time and The Companies Act, 2013, as amended or modified from time to time, as the case may be
DP	Depository Participant
Depositories	CDSL and NSDL
DPS / Detailed Public Statement	Detailed Public Statement on behalf of the Acquirer to the Public Shareholders, which was published in all editions of Financial Express (English), all editions of Jansatta (Hindi) and Mumbai Tarun Bharat (Marathi) – Mumbai on 29th August 2016
Escrow Agreement	Escrow Agreement dated 22nd August 2016 between the Acquirer, Escrow Bank and Manager to the Open Offer
Escrow Banker	IndusInd Bank Limited
Equity Share Capital/ Voting Share Capital	Total voting equity share capital of the Target Company
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor registered with SEBI
Form of Acceptance	Form of Acceptance cum Acknowledgement, accompanying with the Letter of Offer
Identified Date	30th September 2016 being the date for the purpose of identifying Public Shareholders of the Target Company to whom the Letter of Offer will be sent
Income Tax Act	Income Tax Act, 1961, as amended from time to time
Manager / Manager to the Open Offer	SMC Capitals Limited, the Merchant Banker appointed by the Acquirer pursuant to the SEBI (SAST) Regulations
NA	Not Applicable
Non-Resident Shareholder(s)	Persons resident outside India as defined under FEMA, holding equity shares of the Target Company
NRI	Non-Resident Indians
OCBs	Overseas Corporate Bodies
Offer/Open Offer	The Offer being made by the Acquirer for acquiring 7,98,746 equity shares representing 26% of the Voting Share Capital, from the Public Shareholders at the Offer Price payable in cash
Open Offer Price	Rs.10/- (Rupees Ten only) per fully paid up equity share
Open Offer Size	7,98,746 equity shares at Rs.10/- each representing 26% of the Voting Share Capital
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on 22nd August 2016
PAN	Permanent Account Number
Public Shareholders	Public shareholders of the Target Company excluding the parties of the SPA dated 22nd August 2016
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Bigshare Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time

Rs./Rupees	Indian Rupees
Sale Shares	10,44,684 equity shares of the Target Company, held by the Sellers, representing 34.01% of the Equity Share Capital of the Target Company
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
SEBI (SAST) Regulations, 2011/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Sellers/Selling Shareholders	Promoters and Promoter Group of the Target Company
Share Purchase Agreement/ SPA	Share Purchase Agreement dated 22nd August 2016 entered into between the Acquirer and the Sellers
Stock Exchange	BSE Limited
Target Company/ RECL	Regal Entertainment & Consultants Limited
Tendering Period / Open Offer Period	Period within which Public Shareholders of Target Company may tender their equity shares in acceptance to the Offer i.e., the period between and including 18th October 2016 (Tuesday) and 1st November 2016 (Tuesday)
Offer / Offering period	Period from the date of entering into an agreement, to acquire shares, voting rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Public Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
Woking Day	A working day of SEBI

I. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF REGAL ENTERTAINMENT & CONSULTANTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, SMC CAPITALS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 2ND SEPTEMBER 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.

II. DETAILS OF THE OPEN OFFER

A. Background of the Open Offer

1. The Open Offer is being made by Acquirer to the Public Shareholders of the Target Company, pursuant to and in compliance with Regulation 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations for substantial acquisition of shares/voting rights accompanied with the change of control and management of the Target Company. The Acquirer is making the Open Offer to the Public Shareholders to acquire up to 7,98,746 equity shares ("Offer Shares") representing 26% of the Voting Share Capital of Target Company.

2. On 22nd August 2016, the Acquirer has entered into a SPA with the existing Promoters and Promoter Group of the Target Company comprising of Mr. Satish Kusumbiwal, Mr. Dinesh Gupta, Satish Kusumbiwal HUF, Dinesh Gupta HUF, Madhu Kusumbiwal, Anita Gupta, Ameya Finvest Private Limited, Abhinikh Trading Private Limited, Data Office Products Private Limited, Dhakla Marketing Private Limited and Anurag Finvest Private Limited (hereinafter referred to as "Sellers"/"Selling Shareholders") for the entire Shareholding held by them i.e. 10,44,684 equity shares representing 34.01% of the Equity Share Capital/Voting Capital of the Target Company ("Sale Shares"), at a price of Rs.10/- (Rupees Ten Only) per equity share ("Negotiated Price"), aggregating to Rs.1,04,46,840 /- (Rupees One Crore Four Lakhs Forty Six Thousand Eight Hundred Forty only) payable in cash, as detailed herein below:

Sr. No.	Name of Sellers	No. of shares / Voting Rights Through SPA	Percentage (%) of Share / Voting Rights to the total shares/Voting Though SPA
1.	Satish Kusumbiwal	2,22,408	7.24%
2.	Dinesh Gupta	1,94,066	6.32%
3.	Anurag Finvest Private Limited	1,51,646	4.94%
4.	Data Office Products Private Limited	1,03,060	3.35%
5.	Abhinikh Trading Private Limited	84,300	2.74%
6.	Dhakla Marketing Private Limited	83,449	2.72%
7.	Satish Kusumbiwal HUF	61,000	1.99%

8.	Madhu Kusumbiwal	59,400	1.93%
9.	Anita Gupta	37,200	1.21%
10.	Ameya Finvest Private Limited	36,655	1.19%
11.	Dinesh Gupta HUF	11,500	0.37%
	Total	**10,44,684**	**34.01%**

3. The salient features of the SPA dated 22nd August 2016 are as under:

a. Purchase and sale of Sale Shares

Subject to the terms and conditions, as stated herein and subject to the Parties complying with the provisions of the Takeover Code, on the Closing Date, Acquirer shall remit the total consideration amount i.e Sale Shares multiplied by Purchase Price ("Total Consideration"), in cash by way of wire transfer/Demand Draft in favour of respective Seller in case of Off-market trade and through exchange payment mechanism in case of market transaction. Post remittance of Total Consideration the Sellers shall Transfer to Acquirer the Sale Shares together with all rights, title and interests therein alongwith respective Delivery Instruction Slips to the Acquirer

b. Purchase Price

The purchase price shall be Rs. 10/- (Rupees Ten Only) per Sale Share to be paid by the Acquirer to the Sellers ("Purchase Price").

c. Closing

i. Subject to satisfaction of the conditions precedent (as defined below), the Closing shall take place after the expiry of twenty-one working days from the date of Detailed Public Statement provided Acquirer deposits 100% of the consideration payable to the Public Shareholders, assuming full acceptance, in the Escrow Account as mentioned under regulation 22(2) of the Takeover Regulations.

ii. The following actions shall take place on or before Closing:
- On or before Closing, Acquirer shall remit the Total Consideration by way of wire transfer/Demand Draft in favour of respective Seller in case of Off-market trade and through exchange payment mechanism in case of market transaction
- on Closing the Sellers shall deliver the respective Delivery Instruction Slips to the Acquirer

iii. The Parties confirm that the receipt of the Total Consideration in the Sellers' Bank account shall constitute payment to the Sellers of the entire consideration for the sale of the Sale Shares.

iv. Simultaneously with the event envisaged in point c (ii) above the Sellers and Acquirer shall issue instruction notice to the Company to procure convening of a meeting of the Board immediately, at which meeting the Board shall (a) pass necessary resolutions to take the record of transfer and sale of Sale Shares (b) appoint nominees of the Acquirer as directors on the Board and (c) resignation of the Sellers and nominee of the Sellers as directors on the Board;

v. Company and the Sellers to make the regulatory and statutory filings and compliances as may be required to be made under applicable law or regulation with the Governmental Authorities to give effect to the transactions contemplated in the SPA.

d. Conditions Precedent to Closing

Closing shall not take place unless the following conditions precedent has been satisfied (or waived) hereto:

i. Any Statutory approval required from regulatory authority

ii. The Sellers shall have delivered to the Acquirer, a statement of the dematerialized account of the Sellers alongwith Sellers groups as evidence that the Sellers are the beneficial owners of such number of equity shares representing the Sale Shares;

iii. There shall, in the opinion of the Acquirer, have been no Material Adverse Effect on the business and/or the affairs of the Company;

iv. No debts of any nature whatsoever shall be payable by the Company to third parties, other than those reflected in the Financial Statements

v. The Acquirer having complied with the provisions pertaining to the making of a public offer as required under the Takeover Code, including but not limited to (a) appointment of a merchant banker; (b) creation of Escrow account for the fulfilment of public offer obligations; (c) issuance of a public announcement; (d) issuance of a detailed public statement;

vi. The Acquirer shall have deposited in the escrow account opened under Regulation 17 of the Takeover Code, cash of an amount as required under the Takeover Code.

4. No other person / individual / entity are acting in concert with the Acquirer for the purposes of this Open Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

5. After the completion of this Offer and pursuant to the acquisition of Sale Shares of the Target Company under the SPA, the Acquirer will exercise effective control over the management and affairs of the Target Company replace the Sellers as the promoter of the Target Company and may hold the majority of the equity shares of the Target Company.

6. In accordance with Regulation 22(2) of the SEBI (SAST) Regulations 2011, the Acquirer proposes to complete the acquisition of the Sale Shares, as contemplated under the SPA, as soon as the conditions stipulated in the SPA and the Statutory and other approvals are fulfilled.

7. The Acquirer proposes to appoint its nominees as directors on the Board of Directors of the Target Company after (i) the expiry of 21 working days from the date of the DPS and (ii) the Acquirer having deposited cash equivalent to 100% of the Maximum Consideration (assuming full acceptance) in the Open Offer Escrow Account in terms of Regulation 24(1) of the Regulations and (iii) conditions stipulated in the SPA and the Statutory and other approvals are fulfilled.

8. The Acquirer, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

9. As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

B. Details of the Proposed Offer

1. Pursuant to Public Announcement dated 22nd August 2016, the Acquirer has published a Detailed Public Statement on 29th August 2016, which appeared in the following newspapers, i) Financial Express - English (all editions), (ii) Jansatta-Hindi (all editions) and (iii) Mumbai Tarun Bharat (Marathi) being regional language daily of the place of the stock exchange where equity shares of the Target Company are most frequently traded and also being regional language daily of the place where the registered office of Target Company is located.

   The Public Announcement and Detailed Public Statement are also available on the SEBI website at www.sebi.gov.in.

2. Pursuant to the Open Offer, the Acquirer proposes to acquire upto 7,98,746 equity shares representing 26% of the fully paid-up Voting Share Capital of the Target Company, as of the tenth (10th) working day from

the closure of the tendering period, at the Open Offer Price of Rs. 10/- (Rupees Ten only) per equity share, to be paid in cash, in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS and the Letter of Offer.

3. This Open Offer is being made to all the Public Shareholders of the Target Company (other than the parties to the SPA). All shares validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in the DPS and the Letter of Offer. There shall be no discrimination in the acceptance of locked-in and non locked-in shares in the Open Offer. The shares to be acquired under the Open Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

4. All the equity shares of the Target Company are fully paid up and there are no partly paid up equity shares in the Target Company.

5. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

6. There is no differential pricing for the Offer

7. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations. All shares (up to the maximum number set out above) validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions contained in the DPS and the Letter of Offer. In the event that the shares tendered in the Open Offer by the Public Shareholders are more than the shares to be acquired under the Open Offer, the acquisition of shares from each Public Shareholder will be on a proportionate basis.

8. The Acquirer has not acquired any shares of the Target Company after the date of PA i.e.22nd August 2016 and upto the date of this Draft Letter of Offer.

9. The Manager to the Open Offer does not hold any shares as on the date of this Draft Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

10. The Acquirer may withdraw the Open Offer in accordance with the conditions specified in "Statutory Approvals" under section "Terms and Conditions of the Open Offer" of the Letter of Offer. In the event of such withdrawal, the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, by way of a public announcement in the same newspapers in which the DPS had appeared and simultaneously inform in writing to SEBI, the BSE and the Target Company at its registered office.

11. As per clause 38 of the SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015

C. Object of the Open Offer

1. This Open Offer is being made to the shareholders of Target Company pursuant to and in compliance with Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011.

2. The main purpose of takeover is to acquire control of the Company and thereafter the Acquirer proposes to continue with the existing business of the Target Company. The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The Acquirer may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.

3. The Acquirer do not have any plans to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years, 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. The reconstituted Board of Directors of the Target Company will take appropriate decisions in these matters, as per the requirements of the business and in line with opportunities or changes in the economic scenario, from time to time. 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 Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company & subject to the provisions of the applicable law as may be required

III. BACKGROUND OF THE ACQUIRER

This Open Offer is being made by Mr. Shreyash Chaturvedi, the Acquirer, to the Public Shareholders of the Target Company: The details of the Acquirer are mentioned below:

1. Mr. Shreyash Chaturvedi aged 27 years, s/o Mr. Vinod Kumar Chaturvedi, residing at F-1402, LA Serena Co-operative Housing Society Limited, Junction of Dadabhai X Road and J.P. Road, Andheri (West), Mumbai-400058 is a commerce graduate from Mumbai University and holds degree of Master of Business Administration from Cardiff University, United Kingdom. He has experience of more than 3 years as a financial risk analyst and currently provides financial advisory on freelancing basis.

2. Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

3. As per certificate dated 18th August 2016 issued by Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91- 9923638908, the networth of Mr. Shreyash Chaturvedi as on 18th August 2016 is Rs. 187.7 Lakhs.

4. Acquirer does not hold directorship in any company.

5. Acquirer holds 23,375 equity shares in the Target Company representing 0.76% of its paid-up capital. The said equity shares were acquired by him on 9th June 2016, 26th July 2016 and 5th August 2016 through off-market transaction at Rs.8.55 /- per equity share. Except for this, he does not have any ownership interest in the Target Company

6. The provisions of chapter V of the SEBI (SAST) Regulations and subsequent amendments thereto are not applicable to the Acquirer

7. There are no persons acting in concert in relation to the Open Offer within the meaning of Regulation 2(1)(q) of the Regulations

IV. BACKGROUND OF THE TARGET COMPANY

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

1. The Target Company is Regal Entertainment & Consultants Limited (CIN L65923MH1992PLC064689). The Target Company was originally promoted by Mrs. M. Narayanan and Mrs. S. Balasubramanian on 1st January 1992 as a Private Limited and later the present management consisting of Mr. Dinesh Gupta, Mr. Satish Kusumbiwal and their associates took over the controlling interest in the Target Company in September 1994. The Target Company was converted into Public Limited Company and obtained fresh change of name certificate on conversion on 14th November 1994. Subsequently, the name was changed from Regal Finance and Consultants Limited to Regal Entertainment & Consultants Ltd. and a fresh change of name certificate was obtained on 19th October 2000. Its registered office is located at 24, Gunbow Street Fort, Mumbai - 400 001. The telephone number of RECL is +91-022- 22612811 and fax number is +91-022- 22612822.

2. The Target Company was originally registered as Regal Finance and Consultants Limited with the Reserve Bank of India ("RBI") under Section 45-IA of the Reserve Bank of India Act, 1934, as a Non Banking Financial institution without accepting public deposits vide certificate of registration No. 13.00442 dated 24th March 1998. Subsequently, with change of name from Regal Finance and Consultants Limited to Regal Entertainment & Consultants Ltd, Target Company obtained fresh certificate of registration dated 2nd May 2016. It is a Non Deposit taking Non-systemically Important Non Banking Finance Company (NBFC-ND-NSI) engaged primarily in the business of advancing loans and investing or trading in securities.

3. The authorized capital of RECL is Rs.500 Lakhs comprising of 50,00,000 equity shares of Rs. 10/- each and Issued & fully paid up equity share capital of is Rs. 307.21 Lakhs consists of 30,72,100 equity shares of Rs. 10/- each. There are no partly paid up shares in RECL.

   The issued and paid up share capital structure of the Target Company is as follows:

Paid-up shares	No. of shares/Voting Rights	% shares/Voting Rights
Fully Paid-up equity shares	30,72,100	100%
Partly Paid-up equity shares	Nil	Nil
Total Paid-up equity shares	30,72,100	100%
Total voting rights in Target Company	**30,72,100**	**100%**

4. Pursuant to Public Issue of equity shares during the year 1995, the equity shares were listed on Ahmedabad Stock Exchange Limited (ASE), BSE Limited (BSE), Delhi Stock Exchange Limited (DSE) and Madras Stock Exchange Limited (MSE) out of which RECL has voluntarily delisted its equity shares from Ahmedabad Stock Exchange Limited and Delhi Stock Exchange Limited on 26th July 2000 and 19th October 2011 respectively. Further, since SEBI has de-recognised Madras Stock Exchange Limited vide order dated 14th May 2015, the shares of the Target Company are not listed on MSE. The equity shares of RECL are currently listed on BSE. The scrip ID is 531033 and is traded under 'XD' category.

5. There has not been any non-listing or suspension of any equity shares of the Target Company during last 10 years at BSE Limited.

6. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. There are no partly paid up shares in the Target Company. The Target Company does not have any equity shares under lock-in period.

7. As on the date of the draft Letter of Offer, the Directors representing the Board of Target Company are:

Sr. No.	Name of the Director	Date of Appointment	Designation	DIN
1.	Dinesh Gupta	05/09/1994	Managing Director	00789115
2.	Satish Kusumbiwal	05/09/1994	Jt. Managing Director	00789150
3.	Manish Chaturvedi	21/04/2016	Director	03228708
4.	Kanaiyalal Agrawal	24/03/2003	Director	00594240
5.	Brijesh Kumar Mathur	31/10/2002	Director	02433011
6.	Anita Gupta	17/03/2015	Director	01166701

   None of the above Directors are representative of the Acquirer

8. There has been no merger / de-merger or spin off in the Target Company during the past three years.

9. The key financial information of the Target Company based on the audited financial statements for the year ended 31st March, 2014, 31st March, 2015, 31st March, 2016 and Limited Review (Unaudited) for three months ended 30th June, 2016 are as follows:

Profit & Loss Statements

(Rs. in Lakhs)

Particulars		For the Financial year ended 31st March (Audited)		
	Three months period ended 30th June, 2016	2016 (Audited)	2015 (Audited)	2014 (Audited)
Income from operations	4.03	11.03	22.14	8.42
Other Income	0.00	0.00	0.00	0.00
Total Income	4.03	**11.03**	**22.14**	**8.42**
Total Expenditure	11.01	36.15	40.28	15.98
Profit Before Depreciation Interest and Tax	(6.98)	(25.12)	(18.14)	(7.56)
Depreciation	0.01	0.48	1.73	0.73
Interest	0.00	0.00	0.00	0.00
Exceptional Income/(Expense)	0.00	0.00	0.00	0.00
Profit Before Tax	(6.99)	(25.60)	(19.87)	(8.29)
Provision for Tax	0.00	(0.03)	(0.40)	(0.09)
Profit After Tax	**(6.99)**	**(25.57)**	**(19.47)**	**(8.20)**

Balance Sheet Statement

(Rs. in Lakhs, except per share data)

Particulars	As on the year ended 31st March ,		
	2016 (Audited)	2015 (Audited)	2014 (Audited)
Sources of Funds			
Paid up Share Capital	307.21	307.21	307.21
Reserves and Surplus (Excluding Revaluation Reserves)	(103.63)	(78.07)	(58.59)
Networth	**203.58**	**229.14**	**248.62**
Non Current Liabilities	2.50	2.54	2.93
Current Liabilities	4.20	4.93	2.09
Total	**210.28**	**236.61**	**253.64**
Uses of Funds			
Non Current Assets	0.19	1.18	2.81
Current Assets	210.09	235.43	250.84
Total	**210.28**	**236.61**	**253.64**

Other Financial Data			
Dividend (%)	NIL	NIL	NIL
Earnings Per Share - (Rs)	(0.83)	(0.63)	(0.27)

(Source: Annual Reports for the financial years ended 31st March, 2014 and 31st March, 2015, Audited results filed with BSE for financial year 31st March, 2016 and un-audited Financials for the period ended 30th June 2016 subject to limited review by the statutory auditor as filed with BSE Limited).

Note: Balance Sheet figures as on 30th June, 2016 are not available

10. Pre and Post-Offer Shareholding Pattern of the Target Company (considering shareholding information as on 26th August 2016) is as follows:

Shareholders' Category	Shareholding & Voting Rights prior to the SPA/ Acquisition and Offer (A)		shares / voting rights agreed to be Acquired which triggered off the Regulations (B)		shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances) (C)		Shareholding / Voting Rights after the Acquisition and Offer (A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group:								
a) Parties to Agreement								
Mr. Satish Kusumbiwal	2,22,408	7.24	(2,22,408)	(7.24)	-	-	-	-
Mr. Dinesh Gupta	1,94,066	6.32	(1,94,066)	(6.32)	-	-	-	-

Anurag Finvest Private Limited	1,51,646	4.94	(1,51,646)	(4.94)	-	-	-	-
Data Office Products Private Limited	1,03,060	3.35	(1,03,060)	(3.35)	-	-	-	-
Abhinikh Trading Private Limited	84,300	2.74	(84,300)	(2.74)	-	-	-	-
Dhakla Marketing Private Limited	83,449	2.72	(83,449)	(2.72)	-	-	-	-
Satish Kusumbiwal HUF	61,000	1.99	(61,000)	(1.99)	-	-	-	-
Madhu Kusumbiwal	59,400	1.93	(59,400)	(1.93)	-	-	-	-
Anita Gupta	37,200	1.21	(37,200)	(1.21)	-	-	-	-
Ameya Finvest Private Limited	36,655	1.19	(36,655)	(1.21)	-	-	-	-
Dinesh Gupta HUF	11,500	0.37	(11,500)	(0.37)	-	-	-	-
Sub total	**10,44,684**	**34.01**	**(10,44,684)**	**(34.01)**	-	-	-	-
2. Acquirer: Mr. Shreyash Chaturvedi	**23,375***	**0.76***	**10,44,684**	**34.01**	**7,98,746**	**26.00**	**18,66,805**	**60.77**
3. Parties to Agreement other than (1) & (2) above	-	-	-	-	-	-	-	-
4. Public: (Other than parties to Agreement) a) FIs/MFs/FIIs/Banks, SFIs	-	-	-	-	(7,98,746)	(26.00)	12,28,670	39.99
b) Individuals	12,99,655	42.31	-	-				
c) Others	7,27,761	23.69	-	-				
Total (a+b+c)	**20,27,416**	**65.99**	-	-	-	-	**12,28,670**	**39.99**
GRAND TOTAL (1+2+3+4)	**30,72,100**	**100.00**	-	-	-	-	**30,72,100**	**100.00**

* The Equity shares were acquired on 9th June 2016, 26th July 2016 and 5th August 2016 through off-market transaction on off-market basis at a price of Rs.8.55 per Equity Share

Note: Number of Public Shareholders as on 26th August 2016 is 2078

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Open Offer Price

1. This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

2. The equity shares of the Target Company are listed on BSE Limited (BSE). The equity shares of the Target Company are not frequently traded on BSE within the meaning of the Regulation 2(1) (j) of SEBI (SAST) Regulations. The annualized trading turnover in the equity shares of the Target Company on the BSE based on trading volume during the twelve calendar months prior to the month of PA (August 2015to July 2016) is as given below:

Name of Stock Exchange	Total No. of shares traded during the 12 calendar months prior to the month of PA	Total No. of Listed shares	Annualized Trading turnover (in terms of % to total listed equity shares)
BSE	59,249	30,72,100	1.93%

(Source: www.bseindia.com)

3. Based on the parameters set out under Regulation 8(2) of the SEBI (SAST) Regulations for infrequently traded stocks, the Open Offer Price of Rs.10/- (Rupees Ten only) per fully paid up Equity Share is justified in terms of the following:

S. No.	Particulars		Rs.
a)	Negotiated Price under the Agreement	:	10.00
b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any Person Acting in Concert with him, during 52 weeks immediately preceding the date of PA	:	8.55
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any Person Acting in Concert with him, during 26 weeks immediately preceding the date of the PA	:	8.55
d)	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement as traded on BSE (where the shares are frequently traded)	:	Not Applicable
e)	Fair Value determined in accordance with parameters of Regulation 8(2) (e)*		6.63

*The fair value of equity shares is Rs. 6.63 (Rupees) as certified by Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91-9923638908; vide their certificate dated 18th August 2016.

4. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

5. In view of the parameters considered and presented above, in the opinion of the Acquirer and Manager to the Open Offer, the Open Offer Price of Rs.10/-(Rupees Ten only) being the highest of the prices mentioned above, is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations

6. In the event of further acquisition of equity shares of the Target Company by the Acquirer during the Open Offer period, whether by subscription or purchase, at a price higher than the Open Offer Price, then the Open Offer Price will stand revised to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, the Acquirer will not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

7. If the Acquirer acquires shares of the Target Company during the period of twenty six weeks after the closure of tendering period at a price higher than the Open Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Open Offer Price, to all Public Shareholders whose shares have been accepted in this Open 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, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form

8. If there is any revision in the Open Offer Price on account of future purchases / competing offers, such revision will be done only up to the period prior to three (3) working days before the commencement of the tendering period of this Open Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision

9. As on date there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

10. There is no non-compete fee paid by the Acquirer to the Selling Shareholders for acquisition of Sale Shares.

B. Details of Financial Arrangements

1. The total funds required for implementation of the Open Offer (assuming full acceptance), i.e., for the acquisition of 7,98,746 equity shares at a price of Rs.10/- (Rupees Ten only) per equity share is Rs.79,87,460/- (Rupees Seventy nine lakhs eighty seven thousand four hundred sixty only) ("Maximum Consideration").

2. In accordance with Regulation 17 (1) of the SEBI (SAST) Regulations, the Acquirer has opened a "Escrow Account" in the name and style as "REGAL OPEN OFFER ESCROW ACCOUNT" bearing Account No. 201000654130 with IndusInd Bank Limited, Premises No. 61, Sonawala Building, Mumbai Samachar Marg, Fort, Mumbai-400 001 (hereinafter referred to as "Escrow Bank") and deposited an amount of Rs.20,00,000 (Rupees Twenty Lakhs only), in cash, being more than 25% of the Maximum Consideration. The cash deposit has been confirmed vide a confirmation letter dated 24th August 2016 issued by Escrow Bank. The Manager to the Open Offer has been duly authorized to realize the monies lying to the credit of the Open Offer Escrow Account in terms of the SEBI (SAST) Regulations.

3. The Acquirer has made firm financial arrangement for financing the acquisition of equity shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The source for funding the Open Offer is domestic source and these are owned/borrowed funds arranged from personal sources.

4. Ashwin Nair & Associates (FRN: 140798W), Proprietor – Mr. Ashwin Nair (Membership No. 165723), having office at Shop no. 29&30 Sanskruti Apartment, Vasai Nallasopara Link Road, Nallasopara (E), Palghar-401209. Tel No. +91- 9923638908 vide it certificate dated 18th August 2016 has confirmed that the Networth of the Acquirer is Rs.187.7 Lakhs as on 18th August 2016 and has made firm financial arrangement to meet the financial obligations under the Open Offer to be made to the shareholders of Target Company.

5. Based on the above, the Manager to the Open Offer is satisfied about the ability of the Acquirer to implement the Open Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

6. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations

VI. TERMS AND CONDITIONS OF THE OPEN OFFER

1. The Offer is made to all Public Shareholders as on the Identified Date, and also to persons who acquire equity shares before the closure of the Tendering Period and tender these equity shares into the Offer in accordance with the Letter of Offer

2. This Offer is being made in compliance with regulations 3(1) and 4 of the SEBI Takeover Regulations and is being made as a result of an agreement for a direct acquisition of equity shares and voting rights pursuant to the Share Purchase Agreement. This Offer is not a competing offer under Regulation 20 of the SEBI Takeover Regulations.

3. The Offer is not conditional and is not subject to any minimum level of acceptance and the Acquirer will be obliged to acquire up to 7,98,746 equity shares representing 26% of the total equity shares as of the tenth (10th) Working Day from the closure of the Tendering Period for the Offer from the Public Shareholders, that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the Public Announcement, the DPS and the Letter of Offer

4. The Letter of Offer is being mailed to those Public Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the Beneficial Owners of the equity shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date. Owners of equity shares who are not registered as shareholder(s) are also eligible to participate in the Offer at any time prior to the date of Closure of the Tendering Period i.e. 1st November 2016.

5. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way. The Public Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance cum Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.

6. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such equity shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Tendering Period.

7. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected

8. There shall be no discrimination in the acceptance of locked-in and non locked-in shares in the Open Offer. To the best of the knowledge of the Acquirer, the Target Company has no equity shares that are currently locked-in. (Source: BSE website).

9. The shareholders who tender their equity shares in this Open Offer shall ensure that the equity shares are free and clear from all liens, charges and encumbrances. Acquirer shall acquire the equity shares that are validly accepted in this Open Offer, together with all rights attached thereto, including the rights to dividends, bonuses and rights offers declared thereof.

10. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

11. The instructions, authorisations and provisions contained in the form of acceptance cum acknowledgement constitute an integral part of the terms and conditions of this Offer.

12. In the event that the equity shares tendered in this Open Offer by the Public Shareholders are more than the equity shares to be acquired in this Open Offer, the acquisition of the equity shares from each Public Shareholder will be on a proportionate basis.

13. This Open Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Open Offer would stand withdrawn.

14. The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement duly filled in (for Public Shareholder(s) holding equity shares in physical mode), signed by the Public Shareholder(s), which should be received by the Registrar to the Offer/Clearing Corporation not later than two days from the date of Closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by a Public Shareholder, the Manager to the Offer and the Acquirer reserve the right to reject the acceptance of this Offer by such Public Shareholder.

15. The acceptance of this Offer is entirely at the discretion of the Public Shareholders. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

16. 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

17. STATUTORY APPROVALS

a. The acquisition under the SPA is subject to the approval of the Reserve Bank of India ("RBI") for acquisition/transfer of control of Non-Banking Financial Companies (NBFCs). The Acquirer and the Target Company will issue a Notice in compliance with the Circular(s) issued by the Reserve Bank of India for the proposed acquisition/transfer of control of the Company to the Acquirer upon receipt of the approval of the RBI for acquisition/transfer of control of Non-Banking Financial Companies (NBFCs). The Target Company has submitted an application to RBI on 23rd August 2016 seeking approval for change in control by acquisition of shares by the Acquirer.

b. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer, other than the above, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirer will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made in the same newspapers in which DPS is made.

c. Public Shareholders of the Target Company who are either non-resident Indians ("NRIs") or Overseas Corporate Bodies ("OCBs") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of Reserve Bank of India ("RBI") which have been obtained at the time of acquisition of equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered by such shareholders in the Open Offer.

d. In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company subject to the Acquirer agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.

e. Subject to the receipt of statutory and other approvals, the Acquirer shall complete all procedures relating to this Open Offer within 10 working days from the date of closure of the tendering period to those shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OPEN OFFER

1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI

2. BSE shall be the Stock Exchange for the purpose of tendering equity shares in the Open Offer

3. The Acquirer has appointed SMC Global Securities Ltd ("Buying Broker") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

   The Contact details of the Buying Broker are as mentioned below:

   Address: 1st Floor, Dheeraj Sagar, Opp. Goregon Sports Club, Link Road, Malad (W), Mumbai-400064, India, Office Telephone: +91 22 67341600, Contact Person: Mr. Uday Powale

4. All Public Shareholders who desire to tender their shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during the Tendering Period.

5. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat equity shares as well as physical equity shares

6. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period

7. Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as client (KYC Compliant)

8. **Procedure for tendering equity shares held in dematerialised Form**:

a. The Public Shareholders who are holding the equity shares in demat form and who desire to tender their equity shares in this Offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer

b. The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry

c. For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

d. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer

e. Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Public Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of equity shares tendered etc.

f. The Public Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of equity shares due to rejection or due to prorated Open Offer

g. The Public Shareholders holding equity shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Public Shareholders are advised to retain the acknowledged copy of the Delivery Instruction Slip ("DIS") and the TRS till the completion of Offer Period.

All non-resident Public Shareholders (i.e. Shareholders not residing in India) holding physical and/or demat equity shares and all resident Public Shareholders (i.e. Shareholders residing in India) holding equity shares in physical mode are mandatorily required to fill the Form of Acceptance-Cum Acknowledgement. The non-resident Public Shareholders holding equity shares in demat mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to the Registrar to the Offer at their address given on the cover page of the Letter of Offer. The Public Shareholders (resident and non-resident) holding equity shares in physical mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to their respective Selling Broker who shall forward these documents to the Registrar to the Offer.

9. **Procedure to be followed by registered Public Shareholders holding equity shares in the physical form:**

a. Public Shareholders who are holding physical equity shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:

    i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the equity shares;

    ii. Original share certificates

iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Public Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;

iv. Self-attested copy of the Public Shareholder's PAN Card

v. Any other relevant documents such as (but not limited to):

- Duly attested power of attorney if any person other than the Public Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement
- Notarized copy of death certificate / succession certificate or probated will, if the original Public Shareholder has deceased;
- Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

vi. Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Aadhar Card, Voter Identity card, Passport or driving license

b. Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Public Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of equity shares tendered etc.

c. After placement of order, as mentioned in paragraph above, the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 10(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the date of closure of the Tendering Period (by 5 PM). The envelope should be superscribed as “Regal Entertainment & Consultants Limited – Open Offer”. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker

d. Public Shareholders holding physical equity shares should note that physical equity shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as “unconfirmed physical bids”. Once, Registrar to the Offer confirms the orders it will be treated as “Confirmed Bids”

e. In case any person has submitted equity shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the equity shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date

10. Modification / Cancellation of orders will not be allowed during the period the Offer is open

11. **Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired equity shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. A Public Shareholder may participate in the Offer by approaching their broker and tender equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement. The Letter of Offer along with Form of Acceptancecum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding physical shares and non-resident shareholders may participate in the Offer by using the Form of Acceptance-cum-Acknowledgement that has been

downloaded or by providing their application in plain paper in writing signed by all shareholders, stating names of all shareholders, address, client ID number, DP name, DP ID number, number of shares tendered, investment status (i.e. FDI route or PIS route) and other relevant documents such as physical share certificate and Form SH 4 in case of shares being held in physical form and statutory approval(s), if any. Such 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

12. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any shareholder, shall not invalidate the Offer in any way

13. **Acceptance of Equity Shares**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of equity shares (including demat equity shares and physical equity shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those equity shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, 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

14. **Settlement Process**

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of shares transferred to the Clearing Corporation.

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

The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Public Shareholders. Any excess physical equity shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer

15. **Settlement of Funds / Payment Consideration**

The settlement of fund obligation for demat and physical equity shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For equity shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Public Shareholders for tendering equity shares in the Offer (secondary market transaction). The consideration received by the selling Public Shareholders from their respective Selling Broker, in respect of accepted equity shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Public Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011

16. **Compliance with Tax Provisions**

a. 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 realised 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

b. 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 DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER

c. Tax deduction at source

i. In case of resident Public Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer

ii. 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/ authorised dealers/ tax advisors appropriately

d. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act

e. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer

For Resident Public Shareholders

- ☐ Self-attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (Certificate for Deduction of Tax at Lower Rate)
- ☐ Self declaration in Form 15G / Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For Non-Resident Public Shareholders

- ☐ Self-attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (Certificate for Deduction of Tax at Lower Rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)
- ☐ Tax Residency Certificate and a no 'permanent establishment'/business connection declaration

In an event of non-submission of NOC or Certificate for Deduction of Tax at Nil/Lower Rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category to which the Public Shareholder belongs, by the Acquirer

f. The tax rate and other provisions may undergo changes

g. Issue of Certificate for Deduction of Tax at Source

i. The Acquirer will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of section 203 of the Income Tax Act read with the Income-Tax Rules, 1962

ii. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above

VIII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders at the office of the Manager to the Open Offer at 302-303, Enterprise Centre, Near Orchid Hotel, Nehru Road, Vile Parle (East), Mumbai-99, on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Open Offer until the closure of this Open Offer:

i. Copy of Share Purchase Agreement dated 22nd August 2016entered into between the Acquirer and the Sellers.

ii. Copy of the Open Offer Escrow Agreement dated 22nd August 2016

iii. Annual Financial Statements of the Target Company for the financial years ended 31st March, 2014, 31st March, 2015 and 31st March, 2016

iv. Firm financial arrangements certificates to fulfil the Open Offer obligations, dated 18th August 2016 from Ashwin Nair & Associates

v. Letter dated 24th August 2016from IndusInd Bank Limited confirming the amount kept in the Escrow Account.

vi. Copies of the Public Announcement dated 22nd August 2016 & Detailed Public Statement dated 29th August 2016.

vii. Copy of the recommendation made by the Target Company's Board as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.

viii. Copy of the comments letter received from SEBI; (if any)

IX. DECLARATION BY THE ACQUIRER

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

Mr. Shreyash Chaturvedi

Sd/-

Place: Mumbai
Date: 2nd September 2016