
DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*This Draft Letter of offer (DLOO) is sent to you as shareholder(s) of **ADCC INFOCAD LIMITED**. If you require any clarification about the action to be taken, you may please consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in **ADCC INFOCAD LIMITED**, please hand over this Draft Letter of offer and the accompanying Form of Acceptance cum Acknowledgement (“Acceptance Form”) and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.*

OPEN OFFER (“Offer”)

BY

ACQUIRERS

Mr. SAGAR DATTATRAYA MEGHE,

*Plot No. 135, Pandey Layout, Khamla, Nagpur, 440025, Maharashtra, India. **Tel No:** +91 9960584808*

Mr. SAMEER DATTATRAYA MEGHE,

*Plot No.135, Pandey Layout, Khamla Road, Pratap Nagar, Nagpur, 440025, Maharashtra, India. **Tel No.:** +91 9960403798*

Mrs. DEVIKA SAGAR MEGHE,

*Plot No. 135, Pandey Layout, Khamla, Nagpur, 440025, Maharashtra, India **Tel No.** +91 9765556556*

Mrs. VRINDA SAMEER MEGHE,

*Plot No. 135, Pandey Layout, Khamla Road, Pratap Nagar, Nagpur, 440025, Maharashtra, India **Tel No.** +91 9765404008*

To acquire up to 23,65,864 (Twenty Three Lakhs Sixty Five Thousand Eight Hundred Sixty Four Only) equity shares of Rs. 10/- each at an Offer Price of Rs. 55.00/- per equity share of Rs 10/- each payable in cash, representing 26% of the total paid up equity share capital/ voting share capital

Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof

**OF
ADCC INFOCAD LIMITED**

Registered Office: 10/5, I.T. Park, Nagpur – 440022, Maharashtra

Tel No.: +91 - 712 - 2249033; **Fax No.:** +91 – 712 – 2249605 ; **Email Id:** info@adccinfocad.com

ATTENTION:

1. This Offer is being made by the Acquirer pursuant to Regulations 3(2) of the SEBI (SAST) Regulations.
2. As on date of this DLOO, no statutory approvals are required, however, it will be subject to all statutory approvals that may become applicable at a later date as mentioned in Point 8.16.
3. **This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations** and is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations
4. Upward revision/withdrawal, if any, of the Offer would be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Acquirers are permitted to revise the Offer Size and/or 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. Tuesday, July 19, 2016. The same price will be payable by the Acquirers for all the shares tendered anytime during the Tendering Period.
5. There has been no competing offer as on the date of this Draft Letter of Offer.
6. If there is a competing offer, the public offer under all the subsisting bids open and close on the same date.

A copy of Public Announcement ("PA"), Detailed Public Statement ("DPS") and this Draft Letter of Offer (DLOO) along with Form of Acceptance cum Acknowledgement is also available on SEBI website: www.sebi.gov.in

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 Hem Securities Ltd.	
HEM SECURITIES LIMITED SEBI Registration No. :INM000010981 14/15, 1 st Floor, Khatau Building, Bank Street, Fort, Mumbai- 400 001 Tel. No.: +91-22- 4906 0000, Fax No.: 91-22-2262 5991 Email: ib@hemonline.com Contact Person: Ms. Menka Jha	BIGSHARE SERVICES PRIVATE LIMITED SEBI Registration No. :INR00001385 E-2/3, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072 Tel. No.: +91-22 – 40430200 Fax No.: + 91-22 – 28475207 Email: ashok@bigshareonline.com Contact Person: Mr. Ashok Shetty

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Day and Date
1.	Date of Public Announcement (PA)	Wednesday, June 01, 2016
2.	Date of publication of the Detailed Public Statement (DPS)	Tuesday, June 07, 2016
3.	Identified Date*	Friday, July 08, 2016
4.	Date by which Letter of offer (LOO) will be dispatched to the Shareholders	Monday, July 18, 2016
5.	Last date for upward revision of Offer Price and/or Offer Size	Tuesday, July 19, 2016
6.	Last date by which Board of Director of the Target Company shall give its recommendation	Thursday, July 21, 2016
7.	Offer Opening Public Announcement	Friday, July 22, 2016
8.	Date of commencement of Tendering Period (Offer Opening Date)	Monday, July 25, 2016
9.	Date of closing of tendering period (Offer Closing Date)	Friday, August 05, 2016
10.	Date by which all requirements including payment of consideration would be completed	Tuesday, August 23, 2016

** Date falling on the 10th Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Shareholders to whom the Letter of Offer shall be sent.*

RISK FACTORS

Given below are the risks related to the transaction, the Open Offer and the probable risk involved in association with the Acquirers.

i. Risk in association with the Transaction and Offer

- To the best of knowledge of the Acquirers, no statutory approvals are required however, it will be subject to all statutory approvals that may become applicable at a later date. The Acquirers reserve the right to withdraw the Offer in accordance with Regulation 23 (1) (a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.
- In the event that (a) the regulatory approvals are not received in a timely manner; or (b) there is any litigation to stay the offer; or (c) SEBI instructs the Acquirers not to proceed with the offer, then the offer proceeds may be delayed beyond the schedule of activities indicated in this Letter of offer. Consequently, the payment of consideration to the public shareholders of ADCC Infocad Limited (ADCC), whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirers, may be delayed. The tendered equity shares and documents will be held by the Registrar to the Offer, until such time as the process of acceptance of such equity shares and the payment of consideration thereto is completed.
- In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- The equity shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer (in accordance with the Regulations and other applicable laws, rules and regulations), and the shareholders will not be able to trade, sell, transfer, exchange or otherwise dispose of such equity shares until the completion of the Offer or withdrawal of the Offer in accordance with Regulation 23(1) of the SEBI (SAST) Regulations. During such period there may be fluctuations in the market price of the equity shares. Accordingly, the Acquirers do not make any assurance with respect to the market price of the equity shares at any time, whether during or upon or after the completion of the Offer, and disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- Shareholders should note that the Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the Tendering Period
- In the event of over-subscription to the offer, the acceptance will be on a proportionate basis hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement, DPS or this Letter of Offer or in the advertisements or other materials issued by, or at the instance of the Acquirers and the Manager to the Offer, and anyone placing reliance on any other source of information, would be doing so at his/her/their own risk.
- This Offer is subject to completion risks as would be applicable to similar transactions

ii. Risk in association with the Acquirers

- The Acquirers make no assurance with respect to financial performance of the Target Company.
- The Acquirers make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
- The Acquirers make no assurance of market price of shares of the Target Company during or after the offer
- The Acquirers have sufficient means to fulfil the financial obligation of this Open Offer through the internal resources only.

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

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

CURRENCY OF PRESENTATION

In this Draft letter of Offer, all references to "Rs." / "INR" / "₹" are to Indian Rupee(s), the official currency of India, all references to "USD" / "US \$" / " US Dollar" are to United States Dollars the official currency of the United States of America and the official currency of Singapore, respectively.

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

TABLE OF CONTENTS

Sr. No.	Particulars	Page No.
1.	Definitions/Abbreviations	5
2.	Disclaimer Clause	7
3.	Details of the Offer	7
4.	Background of the Acquirers	10
5.	Background of the Target Company – ADCC Infocad Limited	13
6.	Offer Price and Financial Arrangements	18
7.	Terms and Conditions of the Offer	20
8.	Procedure for Acceptance and Settlement of this Offer	22
9.	Documents for Inspection	27
10.	Declaration by the Acquirers	28

1. DEFINITIONS/ABBREVIATIONS

Sr. No	Term	Definition/Abbreviation
1.	Acquirers or The Acquirers	Mr. Sagar D. Meghe, Mr. Sameer D. Meghe, Mrs. Devika S. Meghe, and Mrs. Vrinda S. Meghe
2.	Board of Directors	Board of Directors of the Target Company
3.	BSE	BSE Limited, Mumbai
4.	Book Value Per Share	[Equity Capital + Free Reserve (excluding Revaluation Reserve) - Debit balance in Profit & Loss A/c – Misc expenditure not written off] / No. of Equity Shares
5.	CDSL	Central Depository Services (India) Limited
6.	Closure of the Tendering Period	Friday, August 05, 2016
7.	Depositories	CDSL and NSDL
8.	DLOO	Draft Letter of Offer filed with SEBI on Wednesday, June 15, 2016
9.	DPS or Detailed Public Statement	Detailed Public Statement appeared in the newspapers on Tuesday, June 07, 2016
10.	Earnings Per Share / EPS	Profit After Tax available to Equity Shareholders / Weighted Average No. of Equity Shares
11.	Equity Capital	Fully paid up Equity shares of Rs. 10/- each of Target Company
12.	Form of Acceptance or FOA	Form of Acceptance - cum – Acknowledgement
13.	Identified Date	Friday, July 08, 2016
14.	Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992 and subsequent amendments thereof
15.	LOO or Letter of offer	The Letter of Offer dated [•] including the Form of Acceptance-cum-Acknowledgement
16.	Manager to the Offer or Merchant Banker or Manager or HSL	Hem Securities Limited

17.	Networth	Equity Capital + Free Reserve (excluding Revaluation Reserve) – Debit balance in Profit & Loss A/c – Misc expenditure not written off
18.	NSDL	National Securities Depository Limited
19.	Offer or The Offer or Open Offer	Offer for acquisition up to 23,55,600 equity shares of Rs. 10/- each of ADCC representing up to 26% of equity share/ voting right of Target Company at a price of Rs. 55.00/- per equity share of Rs 10/- each payable in cash.
20.	Offer Period	Period from the date of PA till payment of consideration to the Shareholders who will tender their shares in the open offer.
21.	Offer Price	Rs. 55.00/- per equity share of Rs 10/- each of the Target Company payable in cash
22.	PAN	Permanent Account Number
23.	Public Announcement or “PA”	Public Announcement of the Open Offer by the Acquirers, made as per SEBI (SAST) Regulations sent on Wednesday, June 01, 2016 by Merchant Banker on behalf of Acquirers and sent to BSE Limited (“BSE”) and Target Company at its Registered Office and filed on Wednesday, June 01, 2016 with Securities and Exchange Board of India (“SEBI”).
24.	RBI	Reserve Bank of India
25.	Registrar or Registrar to the Offer	Bigshare Services Pvt Ltd.
26.	Return on Net worth	(Profit after Tax available for Equity Shareholders) / (Equity Capital + Free Reserves excluding Revaluation reserve – Debit balance in Profit & Loss A/c – Misc expenditure not written off)
27.	Rs/ Rupee	Indian Rupee
28.	SEBI	Securities and Exchange Board of India
29.	SEBI (SAST) Regulations, 2011 / Takeover Regulation/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
30.	SEBI Act	Securities and Exchange Board of India Act, 1992
31.	SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment thereto
32.	SCRR	Securities Contract (Regulation) Rules, 1957 and subsequent amendments thereto
33.	Tendering Period	Period commencing from Monday, July 25, 2016 and closing on Friday, August 05, 2016 (both days inclusive)
34.	Working Days	A working day of SEBI

Note: All terms beginning with a capital letter used in this Letter of Offer, and not specifically defined herein, shall have the same meanings ascribed to them in the SEBI (SAST) Regulations.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ADCC INFOCAD LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, HEM SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED TUESDAY, JUNE 14, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMEDEMEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- 3.1.1 This Open Offer is being made by Acquirers to the equity shareholders of ADCC Infocad Limited in compliance with Regulations 3(2) of SEBI (SAST) Regulations for substantial acquisition of equity shares and voting rights. This Open Offer is made to increase and consolidate the Promoter/Promoter Group holding in the Target Company which will result into effective management control over the Target Company.
- 3.1.2 The Acquirers are the existing Promoter and Promoter Group of the Target Company. The total shareholding of the Promoter and Promoter Group was 41,29,000 Equity Shares of Rs. 10/- each representing 45.38% of the total paid-up equity share capital of the Target Company as on March 31, 2016. As on the date preceding the date of the PA, the Promoter and Promoter Group collectively held 44,71,000 Equity Shares of Rs. 10/- each representing 49.14% of the total paid-up equity share capital of the Target Company. This represents an increase of 3.75% in the Promoter and Promoter Group holding in a financial year. The Acquirers intend to consolidate their shareholding by further acquiring equity shares/voting rights in the Target Company through market purchase/off market purchase which may exceeds the stipulated threshold limit specified under Regulation 3(2) of SEBI (SAST) Regulations, 2011 in a financial year and therefore in compliance of Regulation 3(2) of SEBI (SAST) Regulations, 2011, this Open Offer is being made to the equity shareholders of the Target Company.
- 3.1.3 The individual holding of the Acquirers immediately preceding the date of Public Announcement are as given below:
1. Mr. Sagar D. Meghe is holding 2,79,594 equity shares individually in the Target Company representing 3.07% of the Equity Share Capital and he is holding 1,72,000 Equity Shares Jointly with Mrs. Devika Sagar Meghe representing 1.89% of the Equity Share Capital of the

Target Company. He is holding 3,00,594 equity shares considering holding as first holder representing 3.30% of the Equity Share Capital.

2. Mr. Sameer D. Meghe is holding 2,21,400 equity shares in the Target Company representing 2.43% of the Equity Share Capital and he is holding 1,60,000 Equity Shares Jointly with Mrs. Vrinda S. Meghe representing 1.76% of the Equity Share Capital of the Target Company. He is holding 2,30,400 equity shares considering holding as first holder representing 2.53% of the Equity Share Capital.
3. Mrs. Devika Sagar Meghe is holding 1,34,000 equity shares in the Target Company representing 1.47% of the Equity Share Capital and she is holding 1,72,000 Equity Shares Jointly with Mr. Sagar Dattatraya Meghe. She is holding 2,85,000 equity shares considering holding as first holder representing 3.13% of the Equity Share Capital.
4. Mrs. Vrinda Sameer Meghe is holding 1,34,000 equity shares in the Target Company representing 1.47 % of the Equity Share Capital and she is holding 1,60,000 Equity Shares Jointly with Mr. Sameer Meghe representing 1.76% of the Equity Share Capital of the Target Company. She is holding 2,85,000 equity shares considering holding as first holder representing 3.13% of the Equity Share Capital.

3.1.4 During the FY 2016-2017, following acquisitions have been made by the Acquirers in the Target Company.

b. From 01.04.2016 till date of PA i.e. 01.06.2016

Name of Acquirer	Opening Balance	% of equity capital	No. of Shares Acquired (*)	% of the Acquired Shares (*)	Highest Price Paid (per share in Rs.) (**)	Total Consideration (in Rs.) (**)	Closing Balance	% of equity capital
Mr. Sagar Meghe	1,86,594	2.05	1,14,000	1.25	53.50	59,37,000	3,00,594	3.30
Mr. Sameer Meghe	2,30,400	2.53	-	-	-	-	2,30,400	2.53
Mrs. Devika Meghe	1,71,000	1.88	1,14,000	1.25	53.50	60,06,000	2,85,000	3.13
Mrs. Vrinda Meghe	1,71,000	1.88	1,14,000	1.25	53.00	59,76,000	2,85,000	3.13
Total 1(Acquirers)	7,58,994	8.34	3,42,000	3.76	-	1,79,19,000	11,00,994	12.09
Total 2 (Promoter Group other than Acquirers)	33,70,006	37.04	-	-	-	-	33,70,006	37.04
Total (1+2)	41,29,000	45.38	3,42,000	3.76	-	-	44,71,000	49.13

3.1.5 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.1.6 None of the Acquirers and the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction u/s 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.7 As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of Director of the Target will constitute a committee of independent directors who would provide its written reasoned

recommendation on the Offer to the 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.

3.2 Details of the proposed Offer

- 3.2.1 The Acquirers has made DPS in the following newspapers, namely i) Business Standard (English) (all editions), (ii) Business Standard (Hindi) (all editions), (iii) Mahanagar (Nagpur) and (iii) Navshakti (Marathi) which appeared on Tuesday, June 07, 2016. The Public Announcement and the DPS is also available on the SEBI website at www.sebi.gov.in
- 3.2.2 Acquirers are making this Open Offer in terms of Regulations 3(2) of SEBI (SAST) Regulations to acquire up to 23,65,864 equity shares of Rs. 10/- each representing 26% of the total equity share capital / voting capital subject to the terms and conditions set out in DPS and this Letter of Offer, at a price of Rs. 55.00/- each (Rupees Fifty Five Only) payable in cash. These equity shares which are to be acquired by the Acquirer should be free from liens, charges and encumbrances of any kind whatsoever.
- 3.2.3 This Offer is not subject to the receipt of the Statutory Approvals however it will be subject to fulfilment of conditions as may become applicable as mentioned in Point 8.16 of this Draft Letter of Offer.
- 3.2.4 As of the date of this Draft Letter of Offer, there are no: (i) partly paid-up shares of the Target Company; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company other than as stated below:
- The Target Company has issued Employee Stock Options to its Employees on January 01, 2016 and the Options shall be exercised by Employees in coming 3 successive years. The Target Company has not issued any Employee Stock options to Acquirer.
- 3.2.5 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 3.2.6 This Offer is not subject to any minimum level of acceptance. Further there is no differential pricing for this Offer.
- 3.2.7 The Acquirers have not acquired any equity shares of the Target Company after the date of Public Announcement *i.e.* Wednesday, June 01, 2016, till the date of this Draft Letter of Offer.
- 3.2.8 The Offer (assuming full acceptance) would not result in public shareholding in Target Company being reduced below the minimum level required as per the Listing Agreement with the Stock Exchange for the purpose of listing on continuous basis.
- 3.2.9 Further, the Acquirers shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months have elapsed from the date of completion of the offer period as per regulation 7(5) of the SEBI (SAST) Regulations. 2011

3.3 Object of the acquisition/Offer

- 3.3.1 The object and purpose for the Acquirers to enter into the transactions contemplated in the Share Purchase Agreement and along with existing holding with Acquirers. The Acquirers shall achieve substantial acquisition of equity shares and voting capital, accompanied with effective management control over the Target Company after completion of Open Offer.
- 3.3.2 The Acquirers will continue existing line of business of the Target Company and may diversify its business activities in future only with the prior approval of shareholders. However, depending on the

requirements and expediency of the business situation and subject to the provisions of the Companies Act, 2013, Memorandum and Articles of Association of ADCC Infocad Limited and all applicable laws, rules and regulations, the Board of Directors of ADCC Infocad Limited will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirers cannot ascertain the repercussions, if any, on the employees and locations of the business place of Target Company.

- 3.3.3 The Acquirers reserves the right to streamline/restructure its holding in the Target Company and/or the operations, assets, liabilities and/or business of the Target Company, through arrangements, reconstructions, restructurings, mergers, sale of assets or undertakings and/or renegotiation or termination of existing contractual /operating arrangements, at a later date. Such decisions will be taken in accordance with procedures set out by applicable law and pursuant to business requirements and in line with opportunities or changes in the economic scenario, from time to time and with approval of Board of Directors.
- 3.3.4 In terms of Regulation 25(2) of SEBI (SAST) Regulations, as on date of this Draft Letter of Offer, the Acquirer does not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next 2 years, except (i) in the ordinary course of business, (ii) with the prior approval of the shareholders, (iii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or business of the Target Company, and (iv) in accordance with the prior decision of Board of Directors of the Target Company. Further, subject to the requisite approvals, the Acquirers may evaluate options regarding disposal of any surplus assets.

4. BACKGROUND OF THE ACQUIRERS

4.1 Mr. Sagar D. Meghe (Acquirer -1)

- A.1.1 Mr. Sagar D. Meghe, S/o. Shri. Dattatraya Raghobaji Meghe, aged about 46 years, residing at Plot No. 135, Pandey Layout, Khamla, Nagpur, 440025, Maharashtra, India. (PAN: ABYPM6079Q)
- 4.1.1 He is a Bachelor of Commerce from Nagpur University in Year 1991 and he is having 21 year of experience in Information Technology, Politics, Education and Socio Economical areas.
- 4.1.2 CA Amit Jain, (Membership No. 405270, FRN. 013102C), Partner of Amit Madhukar Jain & Co., Chartered Accountants, having his office at 22, Mahavir Ward, Near Jain Temple, Multai, Dist. Betul-460 661 has certified dated May 31, 2016 and confirmed that the individual Net Worth of Mr. Sagar D. Meghe as on March 31, 2015 is Rs. 16,09,09,046 (Rupees Sixteen Crores Nine Lacs Nine Thousand and Forty Six Only).
- 4.1.3 He has filed the following disclosures for the acquisition made by him in the Target Company, under the provisions of Chapter V of SEBI (SAST) Regulations, 2011:

Sr. No.	Regulation/ Sub-Regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days)	Status of compliance with Takeover Regulations	Remarks
1.	29(1) / 29(2)	May 05, 2016	May 04, 2016	Nil	Complied	No Remarks
2.	30(1) and 30(2)*	April 13, 2015	April 04, 2015	Nil	Complied	No Remarks
3.	30(1) and 30(2)*	April 12, 2016	April 12, 2016	Nil	Complied	No Remarks

** Respective Promoters have submitted the above mentioned disclosures to the Company and then Company has filed the same disclosures with Stock Exchanges*

- 4.1.4 As on the date of this DLOO, Mr. Sagar D. Meghe is also Director of the Target Company. He does not hold any position on the Board of Directors of any Listed Company. Further, he is not whole time director in any Listed/Unlisted company.

No.	Name of the Company/LLP	Listed/Unlisted	Position Held
1	Adcc Infocad Limited	Listed	Director
2	Datta Meghe Health Club Limited	Unlisted	Director
3	Meghe Entertainment Private Limited	Unlisted	Director
4	Adcc Infocom Private Limited	Unlisted	Director
5	Meghe Education Foundation	Unlisted	Director
6	Meghes Educational Institutions	Unlisted	Director
7	Primus Finance Private Limited	Unlisted	Director
8	Datta Agrovision Private Limited	Unlisted	Director
9	Adcc Academy Private Limited	Unlisted	Director
10	Ai Instruments Private Limited	Unlisted	Director

4.2 Mr. Sameer D. Meghe (Acquirer - 2)

- 4.2.1 Mr. Sameer D. Meghe, S/o. Shri. Dattatraya Raghobaji Meghe, aged about 38 years, Residing at Plot No. 135, Pandey Layout, Khamla Road, Pratap Nagar, Nagpur, 440025, Maharashtra, India. (PAN: ABYPM6076B)
- 4.2.2 He has completed Bachelor of Commerce from Meerut University in year 2014 and has an experience of around 17 years in the fields of Co- operative Sector, Politics and Social work.
- 4.2.3 CA Amit Jain, (Membership No. 405270, FRN. 013102C), Partner of Amit Madhukar Jain & Co., Chartered Accountants, having his office at 22, Mahavir Ward, Near Jain Temple, Multai, Dist. Betul-460 0661 has certified dated May 31, 2016 and confirmed that the individual Net Worth of Mr. Sameer D. Meghe as on March 31, 2015 is Rs. 20,11,84,803 (Rupees Twenty Crores Eleven Lacs Eighty Four Thousand Eight Hundred and Three Only)
- 4.2.4 He has filed the following disclosures for the acquisition made by him in the Target Company, under the provisions of Chapter V of SEBI (SAST) Regulations, 2011:

Sr. No.	Regulation/ Sub-Regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days)	Status of compliance with Takeover Regulations	Remarks
1	29(1) / 29(2)	November 28, 2015	November 26, 2015	Nil	Complied	No Remarks
2	29(1) / 29(2)	February 12, 2016	February 10, 2016	Nil	Complied	No Remarks
3	29(1) / 29(2)	February 15, 2016	February 11, 2016	Nil	Complied	No Remarks
4	29(1) / 29(2)	February 16, 2016	February 12, 2016	Nil	Complied	No Remarks
5	30(1) and 30(2)*	April 13, 2015	April 04, 2015	Nil	Complied	No Remarks
6	30(1) and 30(2)*	April 12, 2016	April 12, 2016	Nil	Complied	No Remarks

* Respective Promoters have submitted the above mentioned disclosures to the Company and then Company has filed the same disclosures with Stock Exchanges

- 4.2.5 As on the date of this DLOO, she does not hold any position on the Board of Directors of any Listed Company and is not whole time director (s) in any Listed/unlisted Company.

No	Name of the Company/LLP	Listed/Unlisted	Position Held
1	Adcc Infocad Limited	Listed	Whole Time Director
2	Datta Meghe Health Club Limited	Unlisted	Director

3	Maharashtra Vidhyut Nigam Private Limited	Unlisted	Director
4	Meghe Entertainment Private Limited	Unlisted	Director
5	Adcc Infocom Private Limited	Unlisted	Director
6	Meghe Education Foundation	Unlisted	Director
7	Meghes Educational Institutions	Unlisted	Director
8	Primus Finance Private Limited	Unlisted	Director
9	Wardha Health Care Private Limited	Unlisted	Director
10	Dattatraya Textile Cluster Private Limited	Unlisted	Director
11	Datta Agrovision Private Limited	Unlisted	Director
12	Adcc Academy Private Limited	Unlisted	Director
13	Ai Instruments Private Limited	Unlisted	Director
14	Adcc Tech Limited	Unlisted	Director

4.3 Mrs. Devika S. Meghe (Acquirer - 3)

- 4.3.1 Mrs. Devika S. Meghe, W/o. Mr. Sagar D. Meghe, aged about 42 years, residing at Plot No. 135, Pandey Layout, Khamla, Nagpur, 440025, Maharashtra, India. (PAN: ACPPM6520J).
- 4.3.2 Mrs. Devika S. Meghe has completed Higher Secondary from Maharashtra State Board in year 1991 and has an experience of around 18 years in the fields of Information Technology, Education and Socio Economical areas.
- 4.3.3 CA Amit Jain, (Membership No. 405270, FRN. 013102C), Partner of M/s. Amit Madhukar Jain & Co., Chartered Accountants, having his office at S-15, Dharampeth Towers, West High Court Road, Dharampeth, Nagpur - 440010 has certified and confirmed that the individual Net Worth of Mr. Sameer D. Meghe as on March 31, 2015 is Rs. 4,67,74,234.00 (Rupees Four Crores Sixty Seven Lacs Seventy Four Thousand Two Hundred and Thirty Four Only).
- 4.3.4 She has filed the following disclosures for the acquisition made by her in the Target Company, under the provisions of Chapter V of SEBI (SAST) Regulations, 2011:

Sr. No.	Regulation/ Sub-Regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days)	Status of compliance with Takeover Regulations	Remarks
1	29(1) / 29(2)	May 06, 2016	May 05, 2016	Nil	Complied	No Remarks
2	30(1) and 30(2)*	April 13, 2015	April 04, 2015	Nil	Complied	No Remarks
3	30(1) and 30(2)*	April 12, 2016	April 12, 2016	Nil	Complied	No Remarks

* Respective Promoters have submitted the above mentioned disclosures to the Company and then Company has filed the same disclosures with Stock Exchanges

- 4.3.5 As on the date of this DLOO, Mrs. Devika S. Meghe does not hold any position on the Board of Directors of any Listed Company and is not whole time director (s) in any Listed/unlisted Company.

No	Name of the Company/LLP	Listed/Unlisted	Position Held
1	Datta Meghe Foundation	Unlisted	Director
2	Adcc Academy Private Limited	Unlisted	Director

4.4 Mrs. Vrinda S. Meghe (Acquirer - 4)

- 4.4.1 Mrs. Vrinda S. Meghe, W/o. Mr. Sameer D. Meghe, aged about 38 years, Residing at 135, Pandey Layout, Khamla Road, Pratap Nagar, Nagpur, 440025, Maharashtra, India (PAN: AFUPM4185R).

- 4.4.2 She has completed her Bachelor of Arts from Nagpur University in Year 1999 and has 16 years of experience in various fields of Information Technology, Education and Socio Economical areas.
- 4.4.3 CA Amit Jain, (Membership No. 405270, FRN. 013102C), Partner of M/s. Amit Madhukar Jain & Co., Chartered Accountants, having his office at S-15, Dharampeth Towers, West High Court Road, Dharampeth, Nagpur - 440010 has certified and confirmed that the individual Net Worth of Mrs. Vrinda S. Meghe as on March 31, 2015 is Rs. 13,49,34,742.00 (Rupees Thirteen Crores Forty Nine Lacs Thirty Four Thousand Seven Hundred and Forty Two Only).
- 4.4.4 She has filed the following disclosures for the acquisition made by her in the Target Company, under the provisions of Chapter V of SEBI (SAST) Regulations, 2011:

Sr. No.	Regulation/ Sub-Regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days)	Status of compliance with Takeover Regulations	Remarks
1	29(1) / 29(2)	May 05, 2016	May 04, 2016	Nil	Complied	No Remarks
2	30(1) and 30(2)*	April 13, 2015	April 04, 2015	Nil	Complied	No Remarks
3	30(1) and 30(2)*	April 12, 2016	April 12, 2016	Nil	Complied	No Remarks

* Respective Promoters have submitted the above mentioned disclosures to the Company and then Company has filed the same disclosures with Stock Exchanges

- 4.4.5 As on the date of this DLOO, Mrs. Vrinda S. Meghe does not hold any position on the Board of Directors of any Listed Company and is not whole time director (s) in any Listed/unlisted Company other than as listed below.

No.	Name of the Company	Listed/Unlisted	Position Held
1	Datta Meghe Foundation	Unlisted	Director
2	Adcc Academy Private Limited	Unlisted	Director

- 4.5 Acquirers are person acting in concerts with each other for this offer. Mrs. Devika Sagar Meghe (Acquirer) is wife of Mr. Sagar Dattatraya Meghe (Acquirer) and Mrs. Vrinda Sameer Meghe (Acquirer) is wife of Mr. Sameer Dattatraya Meghe (Acquirer) and Mr. Sagar Dattatraya Meghe (Acquirer) and Mr. Sameer Dattatraya Meghe (Acquirer) are brothers in relation. Also, Mr. Sagar Dattatraya Meghe and Mr. Sameer Dattatraya Meghe are on the Board of Directors of the Target Company.
- 4.6 The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and are acting together under an informal understanding.
- 4.7 Mr. Sagar D. Meghe, Mr. Sameer D. Meghe Mrs. Devika S. Meghe and Mrs. Vrinda S. Meghe has complied with all the applicable provisions of Chapter V of SEBI (SAST) Regulations

5. BACKGROUND OF THE TARGET COMPANY - ADCC INFOCAD LIMITED

- 5.1 The Company was originally incorporated on May 05, 1998, as “ADCC CAD TECHNOLOGY PRIVATE LIMITED” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Subsequently, the name of The Company was changed to “ADCC INFOCAD PRIVATE LIMITED” vide a fresh Certificate of Incorporation dated August 03, 1999 issued by the Registrar of Companies, Mumbai, Maharashtra. The Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on February 07, 2014 and the name of the Company was changed to “ADCC INFOCAD

LIMITED” vide afresh Certificate of Incorporation dated July 04, 2014, issued by the Registrar of Companies, Mumbai, Maharashtra.

5.2 The Registered Office of the Target Company is situated at 10/5, I.T. Park, Nagpur – 440022 Maharashtra India.

5.3 The Authorized Share Capital of the Target Company is Rs.10,00,00,000/- (Rupees Ten Crores Only) comprising of 1,00,00,000 equity shares of Rs. 10/- each. The total Issued, Subscribed and Paid-up Equity Share Capital of the Target Company is Rs. 9,09,94,750/- (*Rupees Nine Crores Nine Lakhs Ninety Four Thousand Seven hundred and Fifty Only*) comprising of 90,99,475/- equity shares of Rs 10/- each fully paid up. (Source: Annual Accounts of March 31, 2016)

5.4 The Share Capital Structure of the Target Company is as follows:

Paid up Equity Shares of ADCC	No. of equity shares/ voting rights	% of Shares / voting rights
Fully paid-up equity shares	90,99,475	100
Total voting rights	90,99,475	100

5.5 The equity share (ISIN: INE016Q01014) of the Target Company are currently listed at BSE Limited, Mumbai (“BSE”) (Scrip Code: 538734). (Source: BSE website)

5.6 There are no partly paid up shares in Target Company. (Source: BSE website)

5.7 There are no outstanding convertible instruments / warrants except Employees Stock Options Outstanding as on 31.03.2016 other than as stated below:

The Target Company has issued Employee Stock Options to its Employees on January 01, 2016 and the Options shall be exercised by Employees in coming 3 successive years. The Target Company has not issued any Employee Stock options to Acquirer.

5.8 There are no equity shares which are not listed with Stock Exchange.

5.9 The composition of the Board of Directors of ADCC Infocad Limited is as follows

Name of Director	Designation (Whole time director / independent director)	Date of Appointment
Mr. Sagar Dattatraya Meghe DIN: 00127487	Director	09.09.1998
Mr. Sameer Dattatraya Meghe DIN: 00127536	Whole-time director	01.08.2001
Mr. Amit Kedarnath Somani DIN: 0378635	Managing director	01.07.2006
Mr. Abhay Surendra Kimmatkar DIN: 01984134	Jt. Managing director	17.12.2007
Mr. George Thikathil Varkey Jacob DIN: 00421466	Non-Executive and Independent Director	24.07.2014
Mrs. Shrilekha Rajen Lanjekar DIN: 03592032	Non-Executive and Independent Director	11.03.2015
Mr. Chandrakant Gourishankar Tiwari DIN: 03610459	Non-Executive and Independent Director	24.07.2014

Mr. Arun Mahadeorao Wankhede DIN: 06820023	Non-Executive and Independent Director	24.07.2014
---	---	------------

- 5.10 The Acquirers do not have any representation on the Board of Directors of the Target Company, as on the date of this DLOO.
- 5.11 Audited financial information of ADCC Infocad Limited for the Financial Year ended on March 31, 2016, 2015 and 2014 are given below:

Particular	Year ended 31.03.2016 (Audited)	Year ended 31.03.2015 (Audited)	Year Ended 31.03.2014 (Audited)
Revenue from Operations	1,25,04,97,152	97,67,91,918	76,64,43,304
Other Income	81,37,930	76,93,555	90,98,808
Total Income	1,25,86,35,082	98,44,85,473	77,55,42,112
Increase / (Decrease) in Stock	(30,31,96,784)	(6,50,35,157)	(12,98,71,844)
Total Expenditure	1,13,65,39,090	88,70,21,491	67,28,29,855
Profit / (Loss) before Depreciation, Interest, Exceptional Items and Tax	26,14,58,561	19,58,38,333	18,45,04,177
Depreciation & Amortisation Expense	2,88,72,727	2,36,07,319	1,90,21,475
Interest	11,04,89,842	7,47,67,032	6,27,70,445
Profit/(Loss) before Tax	12,20,95,992	9,74,63,982	10,27,12,257
Provision for Tax	4,78,61,880	3,18,33,806	3,05,67,516
Profit/(Loss) after Tax	7,42,34,112	6,56,30,176	6,50,56,903

Balance Sheet Statement

(Amount in Rs.)

Particulars	Year ended 31.03.2016 (Audited)	Year ended 31.03.2015 (Audited)	Year Ended 31.03.2014 (Audited)
EQUITY AND LIABILITIES			
<u>Shareholders' funds</u>			
Share capital	9,09,94,750	9,06,00,000	6,66,00,000
Reserves and surplus	34,45,50,584	27,95,40,540	15,03,83,194
	43,55,45,335	37,01,40,540	21,69,83,194
<u>Non-current liabilities</u>			
Long-term borrowings	11,22,14,342	13,08,56,493	18,88,66,182
Deferred Tax Liabilities (Net)	5,32,57,241	4,72,78,973	4,74,33,365
Other Long term liabilities	4,10,000	20,05,557	18,94,625

Long-term provisions	-	-	-
	16,58,81,583	18,01,41,023	23,81,94,172
<u>Current liabilities</u>			
Short-term borrowings	82,37,05,110	37,52,80,877	23,92,52,518
Trade payables	19,60,46,992	12,93,76,430	7,06,96,983
Other current liabilities	5,15,06,968	8,57,72,646	10,19,50,304
Short-term provisions	10,33,68,985	6,32,53,904	10,13,19,011
	1,17,46,28,055	65,36,83,857	51,32,18,816
Net Worth	43,55,45,334	36,50,22,272	21,69,83,194
TOTAL	1,77,60,54,972	1,20,39,65,420	96,83,96,182
ASSETS			
<u>Non-Current Assets</u>			
<u>Fixed assets</u>			
a) Tangible assets	28,01,20,994	25,77,42,759	23,73,59,694
b) Intangible assets	-	-	-
c) Capital work-in-progress	-	56,302	-
Non-current investments	1,03,08,639	1,00,54,665	4,19,44,171
Long-term loans and advances	3,03,08,592	3,78,08,592	57,53,904
Other non-current assets	-	4,01,35,154	5,34,14,230
	32,07,38,225	34,57,97,472	33,84,71,999
<u>Current Assets</u>			
Inventories	58,46,70,891	28,14,74,108	21,64,38,952
Trade receivables	58,11,27,210	33,93,28,234	23,10,85,149
Cash and cash equivalents	9,72,78,260	10,27,41,178	4,83,46,285
Short-term loans and advances	6,44,90,663	6,01,55,075	5,08,39,883
Other current assets	12,77,49,723	6,93,51,084	8,32,13,914
Misc. Expenses Not W/O		51,18,268	-
	1,45,53,16,747	85,81,67,948	62,99,24,183
TOTAL	1,77,60,54,972	1,20,39,65,420	96,83,96,182

Other Financial Data

Particulars	Year ended 31.03.2016	Year ended 31.03.2015	Year Ended 31.03.2014
	(Audited)	(Audited)	(Audited)
Dividend (%)	10%*	7.50%	15%
Earning Per Share (in Rs.)	8.19	7.24	9.77
Return on Networth (%)	14.53%	15.73%	21.903%
Book Value Per Share (in Rs.)	65.40	54.81	32.58

*proposed Dividend

5.12 Pre and Post Offer shareholding pattern of the Target Company as on June 10, 2016 is as per the following table:

Sr No	Shareholder category	Shareholding & voting rights prior to the Agreement/ acquisition and offer		Shares/voting rights agreed to be acquired which triggered off the Regulations		Shares/Voting rights to be acquired in the open offer (assuming full acceptance)		Shareholding/voting rights after the acquisition and Offer i.e.	
		(A)		(B)		(C)		A+B+C	
		No.	%	No.	%	No.	%	No.	%
1	Promoter Group								
a	Parties to agreement	0	0.00	0	0.00	0	0.00	0	0.00
b	Promoters other than (a) above	0	0.00	0	0.00	0	0.00	0	0.00
	Total 1 (a+b)	0	0.00	0	0.00	0	0.00	0	0.00
2	Acquirers								
	Main Acquirers								
a	Mr. Sagar D. Meghe	3,00,594	3.30%	-	-	23,65,864	26.00%	34,66,858	38.10%
b	Mr. Sameer D. Meghe	2,30,400	2.53%	-	-				
c	Mrs. Devika S. Meghe	2,85,000	3.13%	-	-				
d	Mrs. Vrinda S. Meghe	2,85,000	3.13%	-	-				
	Total (a+b+c+ d)	11,00,994	12.09%	-	-	23,65,864	26.00%	34,66,858	38.10%
	Promoters Other Than 1 & 2 Above	33,70,006	37.04%	-	-	-	-	33,70,006	37.04%
	Total Promoter/ Promoter Group	44,71,000	49.13%	0	0.00	23,65,864	26.00%	68,36,864	75.13%
3	Public	0	0.00	0	0.00	0	0.00	0	0.00
a	Individuals	18,88,975	20.76%	-	-	(23,65,864)	(26.00%)	22,62,612	24.87%
b	Bodies Corporate	27,38,000	30.09%	-	-				
c	FIs / Banks	1,500	0.02%	-	-				
b	Clearing Members	-	-	-	-				
	Total 4 (a+b+c+d)	46,28,475	50.87%	0	0.00	(23,65,864)	(26.00%)	22,62,612	24.87%
	Grand Total (1+2+3+4)	90,99,475	100%	0	0.00	0	0.00	90,99,475	100%

Notes:

Note: The data within bracket indicates sale of equity shares.

* The Acquirers are part of Public Category and subsequent to the open offer they have been considered as Part of the Promoter Group.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

- 6.1.1 The equity shares of the Target Company are listed and traded at BSE and are frequently traded as defined in the SEBI (SAST) Regulations. The annualized trading turnover of the equity shares traded during the twelve calendar months preceding June 2016, *i.e.* June-15 to May-16 the month in which the PA was made, is as given below:

Sr. No.	Name of the Stock Exchange	Total no. of equity shares traded during the 12 calendar months preceding to June 2016	Total no. of equity share listed	Traded Turnover (in terms of % to total listed shares)
1	BSE	7,17,000	90,99,475	7.88%

*(Source: www.bsesme.com)

- 6.1.2 The Offer Price of Rs. 55.00/- (Rupees Fifty Five Only) per equity share of Rs. 10/- each is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, after considering the following facts.

a.	Highest Negotiated Price under the Acquisition Agreement attracting the obligation to make an Open Offer	NA
b.	Volume weighted average price paid or payable by the Acquirer for acquisition during 52 weeks immediately preceding the date of Public Announcement	Rs. 53.40
c.	Highest Price paid or payable by the Acquirer for any acquisition during 26 weeks immediately preceding date of Public Announcement.	Rs. 53.50
d.	Volume weighted average market price calculated for a period of 60 trading days preceding the date of Public Announcement, if shares are frequently traded	NA
e.	The price determined by taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Rs. 54.02*
f.	The per share value computed under sub-regulation (5) of SEBI (SAST) Regulations	NA

*An extract of the report by Shah Baheti Chandak & Co.(Chartered Accountants) dated May 31, 2016, is reproduced below: The Fair Value of the equity shares is considered and based on the Supreme Court's Decision in the case of Hindustan Lever Employees; Union Vs. Hindustan Lever Limited (1995) reported at (83 Company Cases 30) wherein the Apex Court has opined that the fair value of a Listed Company could be assessed based on different weights and while considering this following has been taken into consideration.

i) Book Value (BV) (ii) Profit Earning Capacity Value (PECV) Method (iii) Market Value (MV) in the case of listed shares

- a) *The Book Value of a share is Rs. 47.86 as per the Audited Financial Statements available for period ended on March 31, 2016, and given the Double weights to it while giving weights to it as it is based on historical data recorded in financial statements.*
- b) *The Profit of the Company for the year ended on March 31, 2016 Rs. 7,42,34,112/- and P.E. Capacity value is arriving at Rs. 40.95 and given Singular weights to it as it is based on Profit Earning Capacity which differs in every year hence the (PECV) Method has also not been considered.*
- c) *With reference to Market Value, last 12 months weighted average of total traded turnover and no. of shares traded of the company's share at BSE Limited, where the shares of the Company are listed is taken into consideration. Since annual traded turnover during last 12 months preceding the calendar month of the Public Announcement i.e. June 2015 to May, 2016 on BSE and the volume weighted average Market Price is at Rs. 62.48/-, hence triple weights are given to the value arrived under this method and the value has been considered for Market Value method.*

We are of the opinion that based on the information as referred to hereinabove, the Fair Value of the equity shares of ADCC Infocad Limited of Rs. 10/- each is Rs 54.02 per share.

- 6.1.3 The Offer Price of Rs. 55.00/- (Rupees Fifty Five Only) per equity share is justified as it is more than the Price in terms of Regulations 8(2) of SEBI (SAST) Regulations. The Offer Price is denominated and payable in Indian Rupees only.
- 6.1.4 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. (Source: BSE website)
- 6.1.5 The Acquirers shall disclose during the tendering period every acquisition made by it of any equity shares of the Target Company to the stock exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6).
- 6.1.6 In case the Acquirers acquire or agree to acquire any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer price, the offer price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations. However, the Acquirers shall not acquire 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.
- 6.1.7 There has been no revision in the Offer Price or to the size of this Offer as on the date of this Draft Letter of Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases/ competing Offer or otherwise, may be done at any time prior to the commencement of the last 3 working days before the date of commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers shall (i) make further deposit into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, SEBI and the Target Company at its Registered Office of such revision.

7. FINANCIAL ARRANGEMENTS

- 7.1 The total requirement of funds for this Offer is Rs 13,01,22,520/- (Rupees Thirteen Crores One Lakh Twenty Two Thousand Five Hundred and Twenty Only), assuming full acceptance of this Offer. (**"Offer Consideration"**)
- 7.2 The Acquirers has adequate internal resources to meet the financial requirements of the Open Offer. No borrowings from any Bank/ Financial Institution such as NRIs or otherwise is envisaged by him. The

Acquirers has made firm arrangement for financial resources required to complete the Open Offer in accordance with Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through their own internal resources.

- 7.3 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Current Account as well as Fixed Deposit Escrow Accounts. All accounts are part of Escrow Account which is in the name and style of “**ADCC- OPEN OFFER-ESCROW A/c- HSL**” with IndusInd Bank, having its Branch at Premises No. 61, Sonawala Building, Mumbai Samachar Marg, Fort, Mumbai – 400 001 (“**Escrow Banker**”) and have deposited an amount of Rs.3,28,00,000/- (Rupees Three Crores Twenty Eight Lakhs Only) in cash, being more than 25% of the Maximum Consideration payable under this Offer.
- 7.4 The Acquirers have duly empowered and authorized **Hem Securities Limited**, the Manager to the Offer, to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 7.5 CA Amit Jain, (Membership No. 405270, FRN. 013102C), Partner of M/s. Amit Madhukar Jain & Co., Chartered Accountants, having his office at 22, Mahavir Ward, Near Jain Temple, Multai, Dist. Betul-460 0661 has certified dated May 31, 2016 has certified and confirmed vide separate Certificates dated May 31, 2016 that Mr. Sagar Dattatraya Meghe, Mr. Sameer Dattatraya Meghe, Mrs. Devika Sagar Meghe and Mrs. Vrinda Sameer Meghe have sufficient liquid funds to meet the part of obligations under SEBI (SAST) Regulations.
- 7.6 In case of any upward revision in the Offer Price or the size of this Offer, the Cash Escrow amount shall be increased by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.
- 7.7 Based on the above, the Manager to the Offer is satisfied that firm financial arrangements for fund and money for payment through verifiable means are already in place to fulfil the obligations of the Acquirers under the Offer.
- 7.8 In case the Acquirer acquires shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the offer price under these regulations, the Acquirers shall pay the difference between the highest acquisition price and the offer price, to all the shareholders whose shares were accepted in the open offer, within sixty days from the date of such acquisition.

8. TERMS AND CONDITIONS OF THE OFFER

- 8.1 The offer is being made to all public shareholders of the Target Company, except the Acquirers and person acting in concert with the Acquirers, if any whether holding Equity shares in dematerialized form or physical form, registered or unregistered are eligible to participate in the Offer any time before closure of the tendering period. The Offer is subject to the terms and conditions set out in this DLOO, the Form of Acceptance, PA, DPS and any other Public Announcements that may be issued with respect to the Offer.
- 8.2 The Letter of Offer (LOO) along with the Form of Acceptance shall be sent to all eligible Equity Shareholders / Beneficial Owners whose names appear in the register of members of the Target Company as on Identified Date i.e. Friday, July 08, 2016.
- 8.3 This Offer is also open to those persons who acquire the Equity Shares in the Target Company any time prior to the date of the Closure of the Tendering Period but are not registered Shareholders.
- 8.4 Accidental omission to dispatch the Letter of Offer to any Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Shareholder shall not invalidate this Offer in any way.

- 8.5 Applications in respect of tendered Shares that are the subject matter of litigation, wherein the Shareholders may be prohibited from transferring the Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Shares are not received together with the Shares tendered under this Offer. The applications in some of these cases may be forwarded (as per the discretion of the Acquirers) to the concerned statutory authorities for further action by such authorities.
- 8.6 The Acquirers shall acquire the Shares which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.
- 8.7 Consideration for equity shares accepted would be paid in the name of first shareholder/ unregistered shareholder and will be intimated by the registered post/UPC to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.
- 8.8 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations and is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 8.9 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Equity Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 8.10 **Locked in Equity Shares:** Regarding acceptance of Lock-in Shares, whether acquired pursuant to the agreement or the Offer, the same can be acquired to the Acquirers subject to continuation of the residual lock-in period in the hands of the Acquirers and there shall be no discrimination in the acceptance of locked-in and not locked-in shares. To the best of our knowledge, the Target Company has no Equity Shares which are locked in.
- 8.11 The Public Announcement, Detailed Public Statement and LOO along with Form of Acceptance will be available on the SEBI's website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date i.e. Friday, July 08, 2016, but before the Closure of Tendering Period, if they so desire, the Shareholders can also download the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from SEBI website at www.sebi.gov.in, or obtain it from the Registrar to the Offer and send in their acceptances to the Registrar to the Offer by filling the same.
- 8.12 Incomplete acceptances, including non submission 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.
- 8.13 The acceptance of this offer is entirely at the discretion of the eligible Equity Shareholder(s) /Beneficial owner(s) of the Target Company. The Acquirers will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Shareholders are advised to adequately safeguard their interests in this regard.
- 8.14 In the event that the aggregate of the Equity Shares tendered in this Offer by the Shareholders are more than the Equity Shares to be acquired in this Offer, the acquisition of the Equity Shares from each Shareholder will be on a proportionate basis.
- 8.15 The Acquirers, Manager to the Offer or Registrar to the Offer accepts no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms, Share Transfer Deed etc, during transit and the Equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 8.16 **STATUTORY AND OTHER APPROVALS**

- 8.16.1 To the best of knowledge and belief of the Acquirers, as of the date of this DLOO, there are no statutory approvals and/or consent required to acquire the equity shares tendered pursuant to this Offer. However, if any other statutory approvals are required or become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.
- 8.16.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.
- 8.16.3 Subject to the receipt of statutory approvals, other approvals, and conditions stipulated as above, the Acquirers shall complete all procedures relating to this Offer within 10 working days from the date of Closure of the Tendering Period to those Equity Shareholders whose share certificates and / or other documents are found valid and in order and are accepted for acquisition by the Acquirers.
- 8.16.4 In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant extension of time for the purpose of completion of this Offer, subject to the Acquirers agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of regulation 18(11) of the SAST Regulations. However, where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.
- 8.16.5 If any of the statutory approval set out above, are not met for reasons outside the reasonable control of the Acquirers, or in the event the statutory approvals are refused, the Acquirers, in terms of Regulation 23 of SEBI (SAST) Regulations, shall have a right to withdraw this Offer. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS is published and such announcement will also be sent to SEBI, the Stock Exchange and the Target Company at its Registered Office.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER

- 9.1 All Public Shareholders of the Target Company, other than the Acquirers and person acting in concert with the Acquirers, if any, whether holding Equity shares in dematerialized form or physical form, registered or unregistered are eligible to participate in the Offer any time before closure of the tendering period.
- 9.2 Persons who have acquired the 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 not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving regarding their shareholding and confirming their consent to participate in this offer on the terms and conditions of this Offer as set out in PA, the DPS and DLOO. Alternatively, such holders of the Equity Shares may apply in the Form of Acceptance-cum-Acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in/>) or the Registrar to the Offer.
- 9.3 The Open Offer will be implemented by the Company through Stock Exchange Mechanism made available by BSE Limited (BSE) in the form of separate window (Acquisition Window) as provided

under the SEBI SAST Regulations and SEBI Circular CIR/CFD/POLICY/CELL/1/2015 Dated April 13, 2015 issued by SEBI.

- 9.4 The Acquirers shall appoint Buying Broker for the Open Offer through whom the purchases and the settlement of the Open Offer shall be made during the tendering period.
- 9.5 BSE shall be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
- 9.6 The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available to the Stock Exchange in the form of a separate window (Acquisition Window).
- 9.7 All the shareholders who desire to tender their shares under the open Offer would have to intimate their respective stock broker (Selling Broker) during the normal trading hours of the secondary market during tendering period.
- 9.8 Separate Acquisition window will be provided by the Stock Exchange to facilitate placing of sell orders. The selling members can enter orders for demat Shares as well as physical shares.
- 9.9 The Acquirer has appointed Hem Securities Limited ("Buying Broker") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the tendering period.

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

HEM Securities Limited

203, Jaipur Tower, M.I. Road,

Jaipur, Rajasthan

Tel: 0141-237 8608, 236 3278;

Fax: 0141-510 1757;

Contact Person: Mr. Anil Bhargava

- 9.10 All 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 tendering period.
- 9.11 Separate Acquisition window will be provided by the stock exchange to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Shares as well as physical Shares.
- 9.12 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during tendering period.
- 9.13 Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).
- 9.14 Procedure for tendering Equity Shares held in Dematerialised Form:
 - a. The Equity 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 /Selling Broker indicating to their broker the details of Equity Shares they intend to tender in Open Offer.
 - b. The Seller member would be required to transfer the number of Equity Shares by using the settlement number and the procedure prescribed by the Clearing Corporation of India Ltd. (Clearing Corporation) for the transfer of Equity Shares to the Special Account of the clearing corporation before placing the bids/order and the same shall be validated at the time of the order entry. The details of the Special Account

of Clearing Corporation shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation.

- c. Shareholders shall submit Delivery Instruction Slips (“DIS”) duly filled in specifying market type as “Open Offer” and execution date alongwith all other details to their respective broker so that Shares can be tendered in Open Offer.
- d. The Selling Broker shall provide early pay-in of demat shares (except for Custodian Participant orders) to the Clearing Corporation before placing the bids / orders and the same shall be validated at the time of order entry
- e. 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.
- f. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- g. Upon placing the bid, the Selling Broker(s) shall provide TRS generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Shares tendered etc
- h. The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

9.15 Procedure for tendering Equity Shares held in Physical Form:

- (a) The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below
 - (i) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
 - (ii) Original share certificate(s).
 - (iii) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
 - (iv) Self attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
 - (v) Any other relevant document such as Power of Attorney, corporate authorization (including board resolution/ specimen signature)
 - (vi) Self attested copy of address proof such as valid Aadhar Card, Voter ID, Passport.
 - (vii) The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
 - (viii) The Seller Member(s) / Investor has to deliver the shares & documents along with TRS to the RTA. Physical Share Certificates to reach RTA within 2 days of bidding by Seller Member.
 - (ix) 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 Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

- (x) In case any person has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before Closing Date.

The Public Shareholders holding Shares in Demat mode are not required to fill any Form of Acceptance. Shareholders holding Equity Shares in physical mode and Equity Shares under lock-in will be required to fill the respective Form of Acceptances. Public Shareholders holding Equity Shares in physical mode and Equity Shares under lock-in will be sent respective Form of Acceptances along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance. Form of Acceptance will not be sent to the Public Shareholders holding Equity Shares in Demat mode.

9.16 Acceptance of 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 Shares, Physical Shares and locked-in 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, or the entire holding if it is less than the marketable lot.

9.17 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 Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.

Letter of Offer along with a Form of Acceptance-cum- Acknowledgement ("Form of Acceptance"), will be dispatched to all the eligible 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 in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on Friday, July 08, 2016 ("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 obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

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

9.18 Settlement Process

- a. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the clearing Corporation.
- b. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

- c. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Seller Member / Custodian Participant will receive funds payout in their settlement bank account. The Seller Members / Custodian Participants would pay the consideration to their respective clients.
- d. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.
- e. The direct credit of shares shall be given to the escrow demat account of the Acquirer indicated by the Acquirer's Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available.
- f. 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 escrow account which will be opened by the Acquirer.
- g. 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 Member(s) / Custodian, post which, the Seller Member(s) would then issue contract note for the shares accepted and return the balance shares to the Shareholders.
- h. Any excess Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholder(s) directly by Registrar to the Offer.
- i. 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 transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.

9.19 Settlement of Funds / Payment Consideration

The Settlement of fund obligation for demats and physical shares shall be effected through existing settlement accounts of Seller Members.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Seller Member / Custodian Participant will receive funds payout in their settlement bank account. The Seller Members / Custodian Participants would pay the consideration to their respective clients.

The funds received from Buyer Broker by the Clearing Corporation will be released to the Seller Member(s) as per secondary market pay out mechanism.

Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Member, 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 shareholder.

Where the number of equity shares tendered by the shareholders are more than the Equity Shares agreed to be acquired by Acquirers, the Acquirers will accept the offers received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner.

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

9.20 In addition to the documents mentioned elsewhere in this Offer document, Non-resident shareholders (**NRI**s / **OCB**s / **FII**s) who wish to tender their Equity Shares must submit the following additional documents along with the Form of Acceptance-cum-Acknowledgement:

- a. Self attested copy of PAN Card
- b. Appropriate No Objection Certificate (NOC) or Tax Clearance Certificate (TCC) from the Income Tax Authorities under sections 195(3) or 197 of the Income Tax Act, for deduction of tax at a lower or nil rates. **In case the aforesaid No Objection Certificate / Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.**
- c. Tax Residency Certificate from Government of the Country or Specified Territory of which you are tax resident (containing the particulars as prescribed under the Income Tax Act)
- d. Self attested declaration in respect of residential status, status of Shareholders (e.g. Individual, Firm, Company, FII, Trust, or any other-please specify)
- e. In case of FII, FII Certificate(i.e. self attested declaration certifying that the investment in the Equity Shares has been made under the FII regime as per the SEBI (Foreign Institutional Investors) Regulations, 1995 and that the nature of income arising from the sale of Equity Shares as per the Income Tax Act is capital gains.
- f. SEBI registration certificate for FII
- g. RBI and other approval (s) obtained for acquiring the Equity Shares of the Target Company, if applicable.
- h. In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity shares in RBDL.

Compliance with Tax Requirement:

a) NRIs/ OCBs/ FIIs

- ✓ In case No Objection Certificate or Tax Clearance Certificate is not submitted, the Acquirers will deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.
- ✓ In the case, shares being acquired by Acquirers and being responsible for paying to non-residents (including FIIs/OCBs) any income by way of interest, is required to deduct tax at source (including, in the case of non-residents, surcharge and education cess as applicable).
- ✓ All other taxes as may be applicable including TDS or withholding tax as per Income Tax Act 1961 will be deducted at the time of making payment to the successful shareholders. For claiming any lesser tax deduction/ withholding tax all necessary documents to be provided well in advance before making payments to successful shareholders. In absence of the same the Tax deduction/ withholding tax will be deducted at maximum marginal rate.

b) Resident Shareholder: In case of acquisition made by individual acquirers, no TAX will be deducted. However, the acquirers will deduct Tax at the stipulated rate on interest, to the extent of the acquisition made by the corporate entity, if such interest amount payable exceeds Rs. 5,000.

- 9.21 **Acquirers will acquire up to 23,65,864 equity shares of Rs. 10/- each tendered in the Offer with valid applications.**

10. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 14/15, Khatau Bldg., 1st Floor, 40, Bank Street, Fort, Mumbai-01 from 1030 hours to 1300 hours on any working day, except Saturdays, Sundays and Holidays until the Closure of the Tendering Period.

- 10.1 Memorandum of Understanding between Lead Manager i.e. **Hem Securities Limited** and the Acquirers.
- 10.2 Copy of the agreement between the Registrar to Issue i.e. **Bigshare Services Private Limited** and the Acquirers.
- 10.3 Audited Annual Reports of ADCC Infocad Limited for years ended on March 31, 2016, 2015 and 2014.
- 10.4 Undertaking from the Acquirers, stating full responsibility for all information contained in the PA and the Draft Letter of Offer.
- 10.5 Certificate from IndusInd Bank dated June 06, 2016 confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulations.
- 10.6 Memorandum and Articles of Association of ADCC Infocad Limited.
- 10.7 Public Announcement dated Wednesday, June 01, 2016 and Detailed Public Statement published on Tuesday, June 07, 2016.
- 10.8 CA Amit Jain, (Membership No. 405270, FRN. 013102C), Partner of M/s. Amit Madhukar Jain & Co., Chartered Accountants, having his office at 22, Mahavir Ward, Near Jain Temple, Multai, Dist. Betul-460 0661 has certified dated May 31, 2016 has certified and confirmed vide separate Certificates dated May 31, 2016 that Mr. Sagar Dattatraya Meghe, Mr. Sameer Dattatraya Meghe, Mrs. Devika Sagar Meghe and Mrs. Vrinda Sameer Meghe have sufficient liquid funds to meet the part of obligations under SEBI (SAST) Regulations.
- 10.9 Recommendation made by the Target Company's committee of independent directors in compliance with Regulation 26(7) of SEBI (SAST) Regulations.
- 10.10 Observation letter dated [•] on the Draft Letter of offer filed with the Securities and Exchange Board of India.

11. DECLARATION BY THE ACQUIRER

- 11.1 The Acquirers accept full responsibility, severally and jointly, for the information contained in this Draft Letter of offer (except for the information regarding the Target Company which has been compiled from the publicly available information and information provided by the Target Company) and also for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof. The Acquirers are responsible for ensuring compliance with the SEBI (SAST) Regulations.

- 11.2 The information contained in this Draft Letter of Offer is as of the date of this Draft Letter of Offer, unless expressly stated otherwise.

Mr. Sagar D. Meghe
(Acquirer-1)

Mr. Sameer D. Meghe
(Acquirer-2)

Mrs. Devika S. Meghe
(Acquirer-3)

Mrs. Vrinda S. Meghe
(Acquirer-4)

Place:

Date: