

## DRAFT LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Shareholder(s) of YOGYA ENTERPRISES LIMITED. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement to the Member of the Stock Exchange through whom the said sale was effected.

#### OPEN OFFER ("OFFER")

Pursuant to Regulations 3 (1) and 4 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.

#### TO THE SHAREHOLDERS OF YOGYA ENTERPRISES LIMITED

(Hereinafter referred as "YEL" or "the Target Company" or "TC" or "the Company")

Having the Registered Office at 203, Gupta Arcade, Shrestha Vihar, Delhi-11 092 Phone No. +91-11-4705 5102

(CIN:L51909DL2010PLC0208333)

Email: [md@yogya.co.in](mailto:md@yogya.co.in) Website: [www.yogya.co.in](http://www.yogya.co.in)

BY

**Acquirer:-** Mr. Yatin Bhupendra Shah S/o Mr. Bhupendra Shah, aged about 46 years, is residing at A-901, Gokul Society, Opp. Dev Nagar, New Sai Baba Nagar, Kandivali West, Mumbai-400 067, Tel. No. +91-22-2806 8043, Email: yatin@igfinserv.com. (Hereinafter referred to as "the Acquirer")

#### ALONG WITH



M/s. IG Financial Services Private Limited having its office at C Wing, Madhusudan Building, Opp. Dev Nagar, New Sai Baba Nagar, Kandivali West, Mumbai-400 067 (Hereinafter referred to as "PAC")

#### TO ACQUIRE

Up to 9,10,000 Equity shares of Rs. 10/- each representing 26% of the emerging equity and voting share capital of the Target Company at a price of Rs. 22.00/- per share ("Offer Price").

#### Please Note

1. This Offer is being made pursuant to the Regulation 3(1) and Regulation 4, of the SEBI (SAST) Regulations, 2011 and subsequent amendments thereof for substantial acquisition of shares / voting rights accompanied with change in control.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. As on date of this Draft Letter of Offer, no statutory approvals are required.
4. This offer is not a competing offer
5. There has been no competing offer or revision of Offer Price as on date of this Draft Letter of Offer.
6. Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement/Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
7. The Procedure for acceptance is set out in Para 8 of this DLOF. A Form of Acceptance is enclosed with this DLOF.
8. If there is any upward revision in the Offer Price by the Acquirer at any time prior to commencement of the last three working days before the commencement of the tendering period viz., **Thursday, 5<sup>th</sup> September, 2019** you will be informed by way of another Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two working days by an Announcement in the same newspapers in which the Detailed Public Statement was appeared.
9. A copy of the Public Announcement, detailed Public Statement and the Draft Letter of Offer (including Form of Acceptance-cum-Acknowledgement) would also available on SEBI's Website: [www.sebi.gov.in](http://www.sebi.gov.in).
10. All correspondence relating to this offer, if any, should be addressed to the Registrar to the Offer, viz. **Bigshare Services Private Limited**

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <b>Navigant</b> <b>NAVIGANT CORPORATE ADVISORS LIMITED</b> A-423, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-4120 4837 / 49735078 Email Id- <a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a> Investor Grievance Email: <a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a> Website: <a href="http://www.navigantcorp.com">www.navigantcorp.com</a> SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani	 <b>Bigshare Services Pvt. Ltd.</b> <b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai-400059 Tel No.: +91-22-4043 0200 / 62638200; F Fax: +91-22-28475207 / 62638299, Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> , E-mail ID: <a href="mailto:openoffer@bigshareonline.com">openoffer@bigshareonline.com</a> , Contact Person: Mr. Ashok Shetty SEBI Registration No: INR000001385
OFFER OPENS ON: THURSDAY, 12 <sup>TH</sup> SEPTEMBER, 2019	OFFER CLOSES ON: WEDNESDAY, 25 <sup>TH</sup> SEPTEMBER, 2019

## SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Activity	Date	Day
Public Announcement	17.07.2019	Wednesday
Publication of Detailed Public Statement in newspapers	24.07.2019	Wednesday
Submission of Detailed Public Statement to BSE, Target Company & SEBI	24.07.2019	Wednesday
Last date of filing draft letter of offer with SEBI	31.07.2019	Wednesday
Last date for a Competing offer	16.08.2019	Friday
Receipt of comments from SEBI on draft letter of offer	23.08.2019	Friday
Identified date*	27.08.2019	Tuesday
Date by which letter of offer be posted to the shareholders	04.09.2019	Wednesday
Last date for revising the Offer Price	05.09.2019	Thursday
Comments from Board of Directors of Target Company	09.09.2019	Monday
Advertisement of Schedule of activities for open offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company	11.09.2019	Wednesday
Date of Opening of the Offer	12.09.2019	Thursday
Date of Closure of the Offer	25.09.2019	Wednesday
Payment of consideration for the acquired shares	11.10.2019	Friday
Final report from Merchant Banker	18.10.2019	Friday

\*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer, PAC and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.

### RISK FACTORS

#### A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

- 1) The Offer involves an offer to acquire up to 26% of the existing equity and voting share capital of YEL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, 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.
- 2) In the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, and 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 shareholders of YEL whose Shares has been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI.
- 3) Shareholders should note that Equity Shares once tendered in the Offer with or without “Form of Acceptance-cum- Acknowledgement” (“FOA”) in the Offer, such shareholders will not be entitled to withdraw such acceptances. The acquisition of Open Offer Shares tendered in the Offer by NRIs and OCBs is subject to receipt of approval from RBI. NRIs and OCBs tendering Equity Shares in the Offer must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from RBI, since the Shares validly tendered in this Offer will

be acquired by non-resident entities) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (FOA).

- 4) The Equity Shares tendered in the Offer will be held in trust by the Buyer's Broker until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity Shares both during the Offer Period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of the Target Company on whether to participate or not to participate in the Offer.
- 5) This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Letter of Offer ("LOF") resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Offer is not directed towards any person or entity in any jurisdiction or country where the Offer would be contrary to the applicable laws or regulations or would subject the Acquirer, the PAC or the Manager to the Offer to any new or additional registration requirements.
- 6) The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the Offer, or in respect of other aspects, such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the PAC do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

#### **B. IN ASSOCIATION WITH THE ACQUIRER AND PAC**

- 7) The Acquirer intends to acquire up to 9,10,000 fully paid-up equity shares of Rs.10/- each, representing 26% of the existing equity and voting share capital at a price of Rs. 22/- (Rupees Twenty Two Only) per equity share, payable in cash under the SEBI (SAST) Regulations. YEL does not have any partly paid-up equity shares as on the date of the PA.

The Acquirer makes no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirer makes no assurance with respect to the financial performance of the Target Company.

- 8) The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
- 9) SEBI has issued Show Cause Notice No. EAD-6/BM/RSL/4225/2012 dated 17<sup>th</sup> February, 2012 under Rule 4(1) of SEBI (Procedure of Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 against Acquirer in the matter of Pyramid Saimira Theatre Limited. The Acquirer has replied to the said notice and SEBI has not passed any order against Acquirer as on the date of this Draft Letter of Offer.

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## 1. DEFINITIONS

TERM	DESCRIPTION
Acceptance Date	The date on which bids /Equity Shares tendered in the Offer shall be accepted post verification
Acquirer/ The Acquirer	Mr. Yatin Bhupendra Shah
AOA	Articles of Association
Board	The Board of Directors of Target Company
BSE	BSE Limited
B.Com	Bachelor in Commerce
Buying Broker / Member	Allwin Securities Limited
BSE	BSE Limited
CIN	Corporate Identification Number
Detailed Public Statement or DPS	Public Statement of the Open Offer made by The Acquirer, which appeared in the newspapers on 24 <sup>th</sup> July, 2019
DLoO / DLOF or Draft Letter of Offer	This Offer Document
Effective Date	The date of certificate by the Merchant banker after filing the final Report with SEBI under SEBI (SAST) Regulations
Existing Share & Voting Capital	Paid up share capital of the Target Company i.e. Rs. 3,50,00,000 divided into 35,00,000 Equity Shares of Rs. 10 Each
EGM	Extra Ordinary General Meeting
EPS	Earnings Per Share which is Profit After Tax / No. of Equity Shares.
Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement.
IndusInd	IndusInd Bank Limited
Identified Date	Tuesday, 27 <sup>th</sup> August, 2019
Listing Agreement	Listing agreement as entered by the Target Company with the BSE
LLP	Limited Liability Partnership
Manager to the Offer or, Merchant Banker	Navigant Corporate Advisors Limited
Negotiated Price	Rs. 12.00/- (Rupees Twelve Only) per fully paid-up Equity Share of face value of Rs. 10/- each.
Offer/Open Offer/ The Offer	Cash Offer to acquire up to 9,10,000 Equity Shares of Rs. 10/- each representing 26.00 % of the total equity and voting share capital of the Target Company, to be acquired by the Acquirer, at a price of Rs. 22/- per Equity share payable in cash
Offer Price	Rs. 22.00/- (Rupees Twenty Two Only) per fully paid up Share of Rs. 10/- each payable in cash.
PA	Public Announcement
PAC	Person Acting in Concert i.e. IG Financial Services India Private Limited in this case
Persons eligible to participate in the Offer/ Shareholders	Registered shareholders of Yogya Enterprises Limited, and unregistered shareholders who own the Shares of Yogya Enterprises Limited on or before the last date of tendering period is eligible to participate in the offer.
RBI	Reserve Bank of India
Registrar or Registrar to the Offer	Bigshare Services Private Limited
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations / the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI Act	Securities and Exchange Board of India Act, 1992.
Shares	Equity shares of Rs. 10/- (Rupees Ten only) each of the Target Company
YEL/Target Company/ TC	Yogya Enterprises Limited

## CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Draft Letter of Offer, all figures have been expressed in “Lacs” unless otherwise specifically stated. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

## 2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF YEL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE /OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER TO THE OFFER, NAVIGANT CORPORATE ADVISORS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 30<sup>TH</sup> JULY, 2019 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011. 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 OFFER.”

## 3. DETAILS OF THE OFFER

### 3.1 Background of the Offer

3.1.1. This Offer is being made pursuant to the execution of the Share Purchase Agreement dated 17<sup>th</sup> July, 2019 to purchase 8,86,000 Equity Shares constituting 25.31% of the fully paid up and voting equity share capital of the Target Company from existing promoter and promoter group (Sellers) of Target Company at a consideration of Rs. 12/- per Equity Share by the Acquirer.

3.1.2 Salient features of SPA are as follow:

- (i) The Sellers agreed to sell 8,86,000 fully paid Equity Shares of Rs. 10/- each at a price of Rs. 12/- (Rupees Twelve only) per fully paid-up Equity Share of the Target Company to Acquirer. The consideration is paid by the Acquirer to the Sellers per fully paid-up Equity Share is the “**Negotiated Price**” between Acquirer and the Sellers.
- (ii) Apart from the total consideration of Rs. 1,06,32,000 for the Sale Shares, no separate fees, payment, premium such as non-competing fee etc. shall be paid by Acquirer to the Sellers for acquisition of the Sale Shares and management control of the Target Company.
- (iii) Acquirer and the Sellers recognize that the sale of Sale Shares is the subject matter of the Takeover Regulations and accordingly the Sellers will transfer the Sale Shares only after due compliance with the Takeover Regulations by Acquirer.
- (iv) Acquirer and the Sellers agree that in the event of non-compliance of any of the provisions of the Takeover Regulations pursuant to the execution of the Agreement, this Agreement shall not be acted upon by any of them.
- (v) The Sale Shares held by the Sellers are in dematerialised form and are free from any lien, claim, pledge, charge, mortgage and encumbrance as on the date of the Agreement. The Sale Shares shall be transferred to Acquirer post completion of Offer Period.

**3.1.3 Details of Parties to the SPA are as follow:**

Name and Address of Acquirer entering in to SPA	Name of Sellers	Address of Sellers	Part of the Promoter / Promoter Group (Yes / No)	Details of shares / voting rights held by the Selling Shareholders prior to SPA	
				Pre Transaction	
				Number	%
Mr. Yatin Bhupendra Shah A-901, Gokul Society, Opp. Dev Nagar, New Sai Baba Nagar, Kandivali West, Mumbai-400 067	Mr. Rajeev Gupta	203, Gupta Arcade, Shrestha Vihar Market, Delhi-110 092	Yes	5,86,000	16.74
	M/s Yogya Infrastructure Limited	203, Gupta Arcade, Shrestha Vihar Market, Delhi-110 092	Yes	3,00,000	8.57
<b>Total</b>				<b>8,86,000</b>	<b>25.31</b>

**3.1.4** This Open Offer is a "Mandatory Offer" under the Regulation 3(1) and 4 of the Takeover Regulations being made by the Acquirer for acquisition of 26.00% of the present issued, subscribed and paid up capital of Target Company. After the completion of this open offer and pursuant to acquisition of shares under Share Purchase Agreement, the Acquirer along with PAC shall become largest equity shareholder and by virtue of this it shall be in a position to exercise effective control over management and affairs of the company.

**3.1.5** The Acquirer intends to control over the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof.

**3.1.6** The Acquirer proposes to continue existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders. The main purpose of this acquisition is to acquire complete management control of the Target Company. The Acquirer is in in to diversified area of business and by virtue of acquiring substantial stake and also the management control of the Target Company, the Acquirer intends to integrate some of their businesses with that of the Target Company thereby gaining an advantage of seeking forward business integration while additionally getting a ready listing platform.

**3.1.7** The Acquirer has not acquired any equity shares/voting rights of the Target Company during the twelve (12) months period preceding the date of the Public Announcement. However PAC has acquired the shares of Target Company during the twelve (12) months period preceding the date of the Public Announcement as tabled below:

Date of Acquisition	No. of Shares Acquired	Price per Share	Mode of Acquisition
22 <sup>nd</sup> February, 2019	96,000	20.50	Through Market
25 <sup>th</sup> February, 2019	56,000	20.87	Through Market

**3.1.8** The Acquirer does not hold any equity shares in the Target Company as of the date of this DLOF, However PAC holds 1,52,000 Equity Shares of Target Company constituting 4.34% of Target Company as on date of this DLOF.

**3.1.9** The Manager to the Open Offer i.e. Navigant Corporate Advisors Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

- 3.1.10** Simultaneously, by virtue of triggering of Regulation 3(1) and 4 of the Regulations due to substantial acquisition alongwith the management control; the PA was submitted with BSE on 17<sup>th</sup> July, 2019, in compliance with Regulation 13(1) of the Regulations by the Acquirer. The PA was also submitted with SEBI and the Target Company in compliance with the Regulation 14(2) of the Regulations.
- 3.1.11** Pursuant to completion of this offer, assuming full acceptance to this Offer, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per the Securities Contract (Regulation) Rules, 1957 as amended. In case the shareholding of the Acquirer and PAC exceeds maximum permissible non-public shareholding pursuant to the Offer, none of the Acquirer and PAC be eligible to make a voluntary delisting offer, unless a period of 12 (twelve) months has elapsed from the date of the completion of the Offer Period.
- 3.1.12** As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company has constituted 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 Acquirer has made a Detailed Public Statement pursuant to Public Announcement on 24<sup>th</sup> July, 2019, in the following newspapers in accordance with the Regulation 14 (3) and pursuant to Regulation 3 and 4 of SEBI (SAST) Regulations.

<b>Name of the Newspaper</b>	<b>Language</b>	<b>Editions</b>
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai

The Detailed Public Statement is also available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

- 3.2.2** The Acquirer and PAC are making this Open Offer under the SEBI (SAST) Regulations, to acquire up to 9,10,000 Equity Shares of Rs. 10/- each representing up to 26.00 % of the total equity and voting share capital of the Target Company from the Public Shareholders of Target Company on the terms and subject to the conditions set out in this Draft Letter of Offer, at a price of Rs. 22.00/- per equity share payable in cash. These Shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.3** There are no partly paid up Shares in the Target Company.
- 3.2.4** The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.
- 3.2.5** The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.
- 3.2.6** The Acquirer and PAC have not acquired any Shares in the Target Company after the date of PA i.e. 17<sup>th</sup> July, 2019, up to the date of Draft Letter of Offer.
- 3.2.7** The Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirer from time to time in this regard.
- 3.2.8** No competitive bid has been received as on date of this Draft LOF.

### 3.3 Object of the Offer:

The Acquirer shall achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company after completion of acquisition of the Sale Shares and the Open Offer

- 3.3.1 The Acquirer and PAC shall achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company after completion of acquisition of the Sale Shares and the Open Offer.
- 3.3.2 The prime object of this acquisition is to acquire complete management control of the Target Company. The Acquirer is in in to diversified area of business and by virtue of acquiring substantial stake and also the management control of the Target Company, the Acquirer intends to integrate some of their businesses with that of the Target Company thereby gaining an advantage of seeking forward business integration while additionally getting a ready listing platform.
- 3.3.3 The Acquirer intends to continue the existing business of the Target Company. The main purpose of takeover is to expand the Company's business activities in the same line through exercising the effective management and control over the Target Company.
- 3.3.4 The Acquirer intends to seek a reconstitution of the Board of Directors of the Target Company after successful completion of the Open Offer.
- 3.3.5 The Acquirer does not have any plans to dispose off or otherwise encumber any significant assets of YEL in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.

## 4. BACKGROUND OF THE ACQUIRER AND PAC

### 4.1 The details of the Acquirer is as follows:

**Acquirer: Mr. Yatin Bhupendra Shah:**

1. Mr. Yatin Bhupendra Shah S/o Mr. Bhupendra Shah, is a 46 years old Resident Indian currently residing at A-901, Gokul Society, Opp. Dev Nagar, New Sai Baba Nagar, Kandivali West, Mumbai-400 067, Tel. No. +91-22-2806 8043, Email: [yatin@igfinserv.com](mailto:yatin@igfinserv.com); He has qualified his first year of bachelor degree in commerce from University of Bombay, Mumbai. He has not changed / altered his name at any point of time.
2. Acquirer carries a valid passport of Republic of India and also holds a Permanent Account Number (PAN) AQSPS3457R. Acquirer is having more than 15 years of experience in the field of finance and capital market activities.
3. Acquirer does not belong to any group.
4. CA Prashant Pathak (Membership No. 116933), partner of M/s. Ashar & Pathak, Chartered Accountants (Firm Registration No. 127006W) having their office located at 1 &2, Jupiter Apartments, Opp. Joggers Park, Off Link Road, Near Chikuwadi, Borivali (West), Mumbai-400 092, Tel: +91-22-2898 2934, Email: [pathakandco@gmail.com](mailto:pathakandco@gmail.com) has certified that Net Worth of Acquirer is Rs. 493.10 Lacs.



5. Acquirer does not hold any shares of Target Company as on the date of the PA and DPS, however he has agreed to buy 8,86,000 Equity Shares (Sale Shares) from current Promoter and Promoter group of Target Company through Share Purchase Agreement (SPA) dated 17<sup>th</sup> July, 2019.
6. As on the date of this DPS, Acquirer does not have any interest in Target Company, save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA and to the extent of holding of 1,52,000 Equity Shares by PAC in Target Company.
7. The details of the companies in which Acquirer holds directorship is tabled as below:

Name: Yatin Bhupendra Shah, DIN: 02055422			
Sr. No.	CIN / LLPIN	Designation	Name of the Company / LLP
1.	U67120MH1993PTC070912	Director	Karnee Investments Private Limited
2.	U67120MH1999PTC118706	Director	Loko Securities Private Limited
3.	U74999MH2017PTC290039	Director	Stageplay Entertainment Private Limited
4.	U74999MH2017PTC296474	Director	Fab Recycle Private Limited
5.	AAE-3458	Partner	Hindustan Organic Farm LLP

#### 4.2 The details of PAC are as follows:

1. The Person Acting in Concert (“PAC”) with the Acquirer within the meaning of Regulation 2(1)(q)(1) of the Takeover Regulations in relation to this Offer is disclosed in a tabular format with their respective details:

Name of PAC	Address	Age of PAC	Nationality of PAC	No. of Equity Shares held as of the PA and proposed to acquire in the SPA	Net Worth (Rs. Lacs)	Qualification and Experience	Relation with Acquirer
M/s. IG Financial Services India Private Limited	C Wing, Madhusudan Building, Opp Dev Nagar, New Sai Baba Nagar, Kandivali West, Mumbai-400 067	N.A.	Indian	1,52,000, Nil	83.94	N.A.	Acquirer is shareholder and part of promoter group of PAC

2. The contact details of PAC are Tel. No. +91-22-2806 8043, Email: yatin@igfinserv.com
3. The PAC i.e. M/s. IG Financial Services India Private Limited is a private limited company, hence additional details are produced as below:
  - a) IG Financial Services India Private Limited was incorporated as a private limited company on 8<sup>th</sup> March, 2008 under the Companies Act, 1956 in Mumbai, Maharashtra and received the "Certificate of Incorporation" bearing from the Registrar of Companies (ROC), Mumbai, Maharashtra.
  - b) The Registered Office of PAC is currently situated at C Wing, Madhusudan Building, Opp Dev Nagar, New Sai Baba Nagar, Kandivali West, Mumbai-400 067.
  - c) The PAC is engaged the business of advisory services in respect of buying and selling of shares, units of mutual fund, financial planning, wealth management, taking agency / brokership /

distributorship of shares, units of mutual fund and all types of bank loans.

- d) PAC is a private limited company and is not listed.
- e) The share capital of PAC is as on date of this Draft Letter of Offer is Rs. 5,00,000/ divided in to 50,000 equity shares of face value of Rs. 10/- each and details of the shareholding of PAC are provided as below: -

Name of the Person/Entity	No. of equity shares held	% of the total share capital
<b>I. Promoter Group</b>		
Mr. Yatin Shah	25,000	50%
Mr. Rajesh Shah	12,500	25%
Mr. Manoj Shah	12,500	25%
<b>II.Public Category</b>		
Nil	-	-
<b>Total(I+II)</b>	<b>50,000</b>	<b>100%</b>

- f) The details of the board of directors of PAC as on date of DLOF is tabled below:

Sl. No.	Name	DIN	Experience	Date of Appointment in PAC
1.	Mr. Manoj Bhupendra Shah	01928687	having more than 20 years of experience in the field of finance and capital market activities	26/11/2008
2.	Mr. Rajesh Bhupendra Shah	02057050	having more than 15 years of experience in the field of finance and capital market activities	08/03/2008

- g) There has been no merger, demerger or spin-off during the last three years involving PAC . PAC does not have any holding company and subsidiary company.
- h) As of the date of the PA, neither PAC nor its directors and / nor key managerial personnel have any interest in the Target Company, save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA by the Acquirer and to the extent of holding of 1,52,000 Equity Shares by PAC in Target Company. As of the date of this DLOF, there are no directors representing PAC on the Board of Directors of the Target Company.
- i) PAC, its promoters and directors have not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act (the SEBI Act). PAC is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. PAC does not have any major contingent liabilities. PAC has confirmed that it is not categorized as “willful defaulter” in terms of regulation 2(1) (ze) of the SEBI (SAST) Regulations, 2011
- j) The authorized and paid-up share capital of PAC is Rs. 5.00 Lacs. The face value of equity shares of PAC is Rs.10 (Rupees Ten only) each. The equity shares of PAC are not listed on any stock exchanges in India or abroad.

k) The brief financials of PAC for the last 3 years is tabled here under:

(Figures in Rs. Lacs except Other Financial Data)  
(Rs. in Lacs)

Profit & Loss Statement	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Year Ended 31.03.2019 (Unaudited)
Revenue from Operations	557.24	256.25	56.15
Other Income	0.01	0.12	6.02
<b>Total Income</b>	<b>557.25</b>	<b>256.37</b>	<b>62.17</b>
Total Expenditure (Excl Depreciation and Interest)	548.60	156.50	46.87
Profit (Loss) before Depreciation, Interest & Tax	8.65	99.87	15.30
Depreciation	0.22	0.49	-
Interest	4.19	10.58	-
Profit / (Loss) before Tax	4.24	88.80	15.30
Tax Expenses	-	14.58	-
<b>Profit /(Loss) after Tax</b>	<b>4.24</b>	<b>74.22</b>	<b>15.30</b>

(Rs. in Lacs)

Balance Sheet Statement	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Period Ended 31.03.2019 (Unaudited)
<b>Sources of Funds</b>			
Paid up Share Capital	5.00	5.00	5.00
Reserves & Surplus (Excluding Revaluation Reserve)	(10.40)	63.82	78.94
Non Current Liabilities	-	-	-
Deferred tax Liabilities (Net)	0.42	-	-
Long Term Borrowings	-	-	-
Short Term Borrowings	235.87	210.62	336.61
Trade Payable	-	239.12	246.88
Current Liabilities	5.20	1.51	2.60
Provisions	0.65	15.00	7.34
<b>TOTAL</b>	<b>236.74</b>	<b>535.07</b>	<b>677.37</b>
<b>Uses of Funds</b>			
Fixed Assets	0.29	1.66	30.84
Non Current Assets	1.00	2.13	22.80
Current Assets, Loans and Advances	-	531.28	623.73
Miscellaneous Expenses not written off/ Preliminary Expenses	235.45	-	-
<b>TOTAL</b>	<b>236.74</b>	<b>535.07</b>	<b>677.37</b>

Other Financial Data	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Period Ended 31.03.2019 (Unaudited)
Net Worth (Rs. in Lacs)	(5.40)	68.82	83.94
Dividend (%)	-	-	-
Earning Per Share (Rs.)	8.48	148.44	30.60
Return on Net worth (%)	(78.52)	107.85	18.23
Book Value Per Share (Rs.)	(10.80)	137.65	167.88

4. The PAC has undertaken that they do not intend to acquire any Open Offer Shares. The Open Offer Shares under this Offer will be acquired by the Acquirer. Further all expenses related to the Open Offer will be borne by the Acquirer.

### 4.3 Joint Undertakings / Confirmation by the Acquirer and the PAC

1. The Acquirer and the PAC had duly complied w.r.t. Chapter V of the Takeover Regulations , 2011 as application in respect to purchase and sale of shares of Target Company.
2. The Equity Shares tendered in this Offer will be acquired solely by Acquirer. Further PAC have undertaken that they do not intend to acquire any Open Offer Shares.
3. The Acquirer and the PAC do not have any relations with the Target Company nor have any interest in the Target Company save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA by the Acquirer and to the extent of holding of 1,52,000 Equity Shares by PAC in Target Company. As of the date of this DLOF, there are no directors representing PAC on the Board of Directors of the Target Company. Neither the Acquirer nor the PAC nor their representatives are on the board of the Target Company.
4. The Acquirer and the PAC have not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act (the “SEBI Act”).
5. The Acquirer and PAC have not entered into any non-compete arrangement and/or agreement with the Target Company or its management.
6. As on date of the DLOF, the Acquirer and the PAC are in compliance with Regulation 6A of the Takeover Regulations.
7. The Acquirer and PAC have undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement and its related conditions.
8. The Acquirer and PAC have undertaken that if they acquire any equity shares of the Target Company during the Offer Period, they shall inform the Stock Exchanges where the equity shares of the Target Company are listed the Target Company and the Manager to the Offer within 24 hours of the acquisition in compliance with regulation 18(6) of the SEBI (SAST) Regulations. Further, they have also undertaken that they will not acquire any equity shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per regulation 18(6) of the SEBI (SAST) Regulations.
9. The Acquirer and PAC have not promoted any listed company and does not hold any directorship in any listed companies.
10. The Acquirer and PAC undertake that they will not sell the equity shares of the Target Company held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.

### 5. 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)*

- 5.1 YEL was incorporated on 16th September, 2010 under the Companies Act, 1956 under the name and style of “Yogya Enterprises Limited” pursuant to Certificate of Incorporation issued by Asst. Registrar of Companies, National Capital Territory of Delhi and Haryana. The corporate identification number (CIN) of the Target Company is L51909DL2010PLC208333. The Registered office of YEL is presently situated at 203, Gupta Arcade, Shrestha Vihar Market, Delhi - 110092. Phone No. +91-11-4376 3300, Email id: md@yogya.co.in.
- 5.2 The Authorised Capital of YEL is Rs. 400.00 Lacs divided in to 40,00,000 Equity Shares of Face Value of Rs. 10/- each. The Issued, Subscribed and Paid-up capital of YEL is Rs. 350.00 Lacs divided in to 35,00,000 Equity Shares of Face Value Rs. 10/- each. YEL has established its connectivity with both the National Securities Depositories Limited and Central Depositories Services (India) Limited. The ISIN of YEL is INE904R01019.
- 5.3 The main object of the YEL is to carry on the business of as traders, buyers, sellers, importers, exporters, distributor, Agents, brokers, factor, stockiest commission agents and dealers of: a) All kinds of vehicles, Machinery. Food stuffs, Handicrafts, Garments and allied products. All kinds of machinery

parts, plants, tools, jigs & fixtures, agricultural machinery, seeds, trawlers, vessels, automobiles and vehicles of all kinds. b) All kinds of fabrics, textiles including decorative hand and machine-made readymade garments, carpets, durries, mats, rugs, namdas, blankets, shawls, tweeds, lines, flannels, beds spreads, quilts, scarfs, belts, tapestry and all other articles of silk, cotton, woolen and worsted materials and all sorts of apparels, dressing materials, mixed, Mended products. nylon, polyester, fibers, yam, hosiery and mixed fabrics. natural silk fabrics, and leather garments of all kinds including all kinds of commodities. c) All kinds of instruments, apparatus and appliances, machinery and mill work and parts thereof, paper and stationery, sport goods, druggets in dressing materials, cosmetics, wigs, belting, cinematograph films exposed, gramophone records, rubber and plastic goods, starch, umbrellas, crown corks, batteries, surgical and musical instruments, marble, granite and hardware items and traditional calendars. d) All kinds of books and manuscripts, electric and electronic items of all kinds, sanitary ware and fittings, woolen textiles, natural fibre products, celluloid products mixed blended products, fish and fish products, fodder bran, fruits, nuts, cashew nuts, kernels, grains, rice, pulses, flours, confectionery, provision, alcohol beverages, perfumed spirits, spices and tea, coffee, sugar and molasses, vegetables and vegetable products, processed foods and packed food products. e) Goods made of brass, silver and gold electroplating, nickel, silver and aluminum, tobacco and liquor, traditional and non-traditional goods, antiques, brassware industrial mineral and agricultural commodities, handicrafts and household goods, building material, consumer goods, building material, consumer goods of all kind, electrical and electronic machines, spares and accessories, telecom products, engineering products and all types of softwares and computers and also to carry the business as agents and to buy, exchange purchase and interest in any immovable property such as houses, building, market, cinema halls, multiplexes, shopping malls, shops, townships, housing projects, Industrial sheds & lands.

5.4 As on date, the Target Company does not have any partly paid-up equity shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No shares are subject to any lock in obligations.

5.5 The entire present and paid up Equity Shares of the Target Company is currently listed on SME Platform of BSE Limited, Mumbai ("BSE"). The Equity Shares of the Target Company were listed on BSE-SME w.e.f. 15<sup>th</sup> April, 2015.

5.6 The shares of the Target Company are listed on SME Platform of BSE Limited ("BSE") having scrip code and id is 539097 and YOGYA respectively. The Equity Shares of Target Company are frequently traded on BSE in terms of Regulation 2 (1) (j) of the Takeover Regulations.

5.7 The Company has complied with the requirements of the Listing Agreement with BSE and as on date no penal action has been initiated by the BSE.

5.8 The details of Share Capital of Target Company is as follows:

Paid up Equity Shares of YEL	No. of Equity Shares/ Voting rights	% of Shares / voting rights
Fully paid-up Equity Shares	35,00,000	100.00
Partly paid-up Equity Shares	NIL	NIL
Total Equity Shares	35,00,000	100.00
Total Voting Rights in the Target Company	35,00,000	100.00

5.9 As on date of this DLOF, the Board of Directors of YEL are as follows:

Name	Designation	DIN	Date of Appointment
Rajeev Gupta	Managing Director	00603828	15/10/2010
Monica Gupta	Director	01559355	15/11/2010
Aditya Mehra	Director	06750294	05/12/2014
Kiran Vitthal Bhogate	Director	07844152	19/03/2018

5.10 There has been no merger / demerger or spin off involving YEL during the last 3 years. The company have not changed its name since inception.

5.11 Brief financial information of YEL for the financial year ended on March 31, 2017, 2018 and 2019 are given below:

(Rs. in Lacs)			
Profit & Loss Statement	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Year Ended 31.03.2019 (Audited)
Revenue from Operations	3,276.94	436.10	785.06
Other Income	9.03	88.02	(64.27)
<b>Total Income</b>	<b>3,285.97</b>	<b>524.12</b>	<b>720.79</b>
Total Expenditure (Excl Depreciation and Interest)	3,265.43	491.56	808.81
Profit (Loss) before Depreciation, Interest & Tax	20.54	32.56	(88.02)
Depreciation	13.04	10.00	(3.28)
Interest	1.00	0.48	(0.05)
Profit / (Loss) before Tax	6.50	22.08	(91.35)
Tax Expenses	1.08	(0.09)	0.96
<b>Profit /(Loss) after Tax</b>	<b>5.42</b>	<b>22.17</b>	<b>(90.39)</b>

(Rs. in Lacs)			
Balance Sheet Statement	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Period Ended 31.03.2019 (Audited)
<b>Sources of Funds</b>			
Paid up Share Capital	350.00	350.00	350.00
Reserves & Surplus (Excluding Revaluation Reserve)	67.60	135.54	45.14
Non Current Liabilities			
Deferred tax Liabilities (Net)	1.07	1.08	0.12
Long Term Borrowings	1.78	0.81	-
Short Term Borrowings	1.21	1.21	-
Trade Payable	120.56	-	0.02
Current Liabilities	0.43	50.09	0.10
Provisions	3.63	5.66	1.29
<b>TOTAL</b>	<b>546.28</b>	<b>544.39</b>	<b>396.67</b>
<b>Uses of Funds</b>			
Fixed Assets	34.80	15.94	5.21
Non Current Assets	153.85	-	-
Current Assets, Loans and Advances	357.63	528.45	391.46
Miscellaneous Expenses not written off/ Preliminary Expenses	-	-	-
<b>TOTAL</b>	<b>546.28</b>	<b>544.39</b>	<b>396.67</b>

Other Financial Data	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Period Ended 31.03.2019 (Audited)
Net Worth (Rs. in Lacs)	417.60	485.54	395.14
Dividend (%)	-	-	-
Earning Per Share (Rs.)	0.15	0.63	(2.58)
Return on Net worth (%)	1.30	4.57	(0.23)
Book Value Per Share (Rs.)	11.93	13.87	11.29

There are no contingent liabilities for the year ended 31<sup>st</sup> March, 2019 as well as on the date of this Draft Letter of Offer.

Reason for fall/rise in total income and profit after tax are as follows:

FY 2018-2019 Compared to 2017-2018

During the financial year 2018-19, the company has earned total income to the tune of Rs. 720.79 Lacs in comparison of total income accounted for Rs. 524.12 Lacs of fiscal 2017-18 with an increase of 37.52%. Such increase is mainly attributed to increase in volume of sales. The profits / (Loss) after tax in the financial year 2018-19 has stood at Rs. (90.39) Lacs from Rs. 22.17 Lacs in the financial year 2017-18.

#### **FY 2017-2018 Compared to 2016-2017**

During the financial year 2017-18, the company has earned total income to the tune of Rs. 524.12 Lacs in comparison of total income accounted for Rs. 3,285.97 Lacs of fiscal 2016-17 with decrease of 84.05%. Such decrease is mainly attributed to decrease in volume of sale of services. The profits / (Loss) after tax in the financial year 2017-18 has stood at Rs. 22.17 Lacs from Rs. 5.42 Lacs in the financial year 2016-17.

**5.12** The Shareholding pattern of the YEL, as on the date of DLOF is as follows:

Shareholder Category	Number Of Equity Shares Of The Target Company	Percentage of Equity Share Capital (%)
Promoter	8,86,000	25.31
Public	26,14,000	74.69
<b>Total</b>	<b>35,00,000</b>	<b>100.00</b>

**5.13** The current capital structure of the Company has been build up since inception, are as under:

Date of allotment	No. of shares issued	No. of shares issued in % of then issued capital	Cumulative paid up capital (in Rs.)	Mode of Allotment	Identity of allottees (whether promoters or public,)	Status of Compliance
16.09.2010 (Incorporation)	50,000	100	5,00,000	Cash	Subscription to MOA (Promoters)	Capital Issued prior to IPO
10.11.2010	50,000	50	10,00,000	Cash	Promoters and Public	Capital Issued prior to IPO
31.03.2011	1,20,000	54.55	22,00,000	Cash	Promoters and Public	Capital Issued prior to IPO
28.03.2013	7,85,000	78.11	1,00,50,000	Cash	Promoters and Public	Capital Issued prior to IPO
10.12.2014	14,95,000	59.80	2,50,00,000	Cash	Promoters and Public	Capital Issued prior to IPO
09.03.2015	10,00,000	28.57	3,50,00,000	Cash	Public Issue	N.A.
<b>Total</b>	<b>35,00,000</b>				---	

**5.14** There have been non compliance in relation to the applicable provisions of Regulations 3(2) of the Takeover Regulations by the Promoter and Promoter Group of the Target Company in the Financial Year 2017-2018. SEBI may take appropriate action against the Promoter and Promoter Group for the non compliance.

5.15 Pre- and Post-Offer shareholding pattern of the YEL is as per the following table:

Sr. No.	Shareholder category	Shareholding & voting rights prior to the agreement/acquisition and offer (A)		Shares/voting rights agreed to be acquired pursuant to SPA which triggered off the Takeover Regulations (B)		Shares/Voting rights to be acquired in the open offer (assuming full acceptances) (C)		Shareholding/voting rights after the acquisition and Offer	
		No.	% \$	No.	%	No.	%^	No.	%^
1.	<b>Promoter &amp; Promoter Group</b>								
	a. Parties to Agreement	8,86,000	25.31	(8,86,000)	(25.31)	-	-	-	-
	b. Promoters Other than (a) above	-	-	-	-	-	-	-	-
	<b>Total 1 (a+b)</b>	<b>8,86,000</b>	<b>25.31</b>	<b>(8,86,000)</b>	<b>(25.31)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.	<b>Acquirer and PAC</b>								
	a) Acquirer	-	-	8,86,000	25.31	9,10,000	26.00	17,96,000	51.31
	b) PAC	1,52,000	4.34			-	-	1,52,000	4.34
	<b>Total</b>	<b>1,52,000</b>	<b>4.34</b>	<b>8,86,000</b>	<b>25.31</b>	<b>9,10,000</b>	<b>26.00</b>	<b>19,48,000</b>	<b>55.66</b>
2.	Parties to agreement other than (1)	-	-	-	-	-	-	-	-
4.	Parties (other than promoters / acquirer & PAC								
	a. FIs/MFs/FIIs/ Banks/SFI	-	-	-	-	-	-	-	-
	b. Others	24,62,000	70.34	Nil	Nil	(9,10,000)	(26.00)	15,52,000	44.34
	Total no. of shareholders i.e. 43 in "Public Category"								
	<b>Total</b>	<b>35,00,000</b>	<b>100</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>35,00,000</b>	<b>100</b>

5.16 The number of Shareholders in YEL in public category is 43 as on date of PA.

5.17 The Company is not a sick Company.

5.18 Status of corporate governance compliances by YEL: -

The Corporate Governance clauses as enumerated in Regulation 17 to 27 in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to Target Company.

5.19 Vikal Madan is the Compliance Officer of the Company, vide address is 203, Gupta Arcade, Shrestha Vihar Market, Delhi - 110092. Phone No. +91-11-4376 3300, Email id: md@yogya.co.in.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1 Justification of Offer Price

6.1.1 The Equity Shares of the Target Company are listed on SME platform of BSE Limited, Mumbai (BSE). The shares are placed under Group 'M' having a Scrip Code of "539097" & Scrip Id: "YOGYA" on the BSE



- 6.1.2 The equity shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations on BSE.

The annualized trading turnover of the equity shares of the Target Company on BSE during Twelve calendar months of PA (July, 2018 - June, 2019) is as given below:

Name of the Stock Exchange	Total number of equity shares traded during the preceding 12 months prior to the month of PA	Total Number Equity Shares listed	Annualized Trading Turnover (as % of total Listed Equity Shares)
BSE	35,52,000	35,00,000	101.49%

- 6.1.3 The Offer Price of Rs. 22.00/- (Rupees Twenty Two only) is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations on the basis of the following:

SR. NO.	PARTICULARS	PRICE (IN RS. PER SHARE)
(a)	Highest of Negotiated price per Equity Share	12.00
(b)	The volume- weighted average price paid or payable for acquisitions by the Acquirer / PAC during 52 weeks immediately preceding the date of PA.	20.64*
(c)	Highest price paid or payable for acquisitions by the Acquirer / PAC during 26 weeks immediately preceding the date of PA.	20.87*
(d)	the volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period. (in case of frequently traded shares only)	21.54
(e)	Other Financial Parameters as at 31 <sup>st</sup> March, 2019:	
	Return on Net worth (%)	(22.88)%
	Book Value per share	11.29
	Earnings per share	(2.58)

\*Excluding brokerage and transaction charges

In view of the parameters considered and presented in table above, in the opinion of the Acquirer, PAC and Manager to the Offer, the Offer Price of Rs. 22.00/- (Rupees Twenty Two Only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

- 6.1.4 There has been no corporate action requiring the price parameters to be adjusted.
- 6.1.5 If the Acquirer and the PAC acquire Equity Shares of the Target Company during the period of twenty-six weeks after the closure of Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose Equity Shares have been accepted in this 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 Takeover 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 Equity Shares of the Target Company in any form.
- 6.1.6 As on date of this DLOF, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer and PAC will comply with all the provisions of the Regulation 18(5) of the Takeover Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

- 6.1.7 If there is any revision in the Offer Price on account of future purchases / competing offers, it will be done only upto three working days prior to the date of commencement of the Tendering Period in accordance with Regulation 18(4) of the Takeover Regulations and would be notified to the shareholders by way of another public announcement in the same newspapers where the DPS has appeared.

## **6.2 Financial Arrangements**

- 6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirer under the offer would be Rs. 2,00,20,000/- (Rupees Two Crores Twenty Thousand only) ("maximum consideration") i.e. consideration payable for acquisition of 9,10,000 equity shares of the target Company at offer price of Rs. 22.00/- per Equity Share.
- 6.2.2. The Acquirer has adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer.
- 6.2.3 The Acquirer, the Manager to the Offer and Indusind Bank Limited, a banking corporation incorporated under the laws of India, have entered into an escrow agreement for the purpose of the Offer (the "Escrow Agreement") in accordance with regulation 17 of the SEBI (SAST) Regulations, 2011. Pursuant to the Escrow Agreement, the Acquirer has deposited cash of an amount of Rs. 2.50 Lacs being in excess of 1% of the Offer Consideration) in an escrow account opened with Indusind Bank Limited. Further, Axis Bank, on behalf of the Acquirer have furnished a bank guarantee aggregating to an amount of Rs. 50.05 Lacs in favor of Manager to the Offer ("Bank Guarantee") which is equal to 25% of the Offer Consideration. The Bank Guarantee is valid upto 7<sup>th</sup> February, 2020. The Acquirer undertakes that in case the offer process is not completed within the validity of Bank Guarantee, then the Bank Guarantee will be further extended at least upto 30<sup>th</sup> day from the date of completion of payment of Offer Consideration.
- 6.2.4 The Manager to the Offer has been duly authorized Manager to the Offer to realize the value of the aforesaid Bank Guarantee and Escrow in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5 Further, in order to ensure that the funds that are payable to the Eligible Public Shareholders who tender in the Offer are managed more efficiently, the Acquirer has opened the Offer Special Account with the IndusInd Bank under the Offer Escrow Agreement, for the purpose of Regulation 21 of the SEBI (SAST) Regulations. The Manager to the Offer has been authorized by the Acquirer to operate and realize the monies lying to the credit of the Offer Special Escrow Account, in accordance with the SEBI (SAST) Regulations.
- 6.2.6 CA Prashant Pathak (Membership No. 116933), partner of M/s. Ashar & Pathak, Chartered Accountants (Firm Registration No. 127006W) having their office located at 1 & 2, Jupiter Apartments, Opp. Joggers Park, Off Link Road, Near Chikuwadi, Borivali (West), Mumbai-400 092, Tel: +91-22-2898 2934, Email: [pathakandco@gmail.com](mailto:pathakandco@gmail.com) has certified that the Acquirer has sufficient resources to make the fund requirement for fulfilling all the obligations under the Offer.
- 6.2.7 Based on the above and in the light of the escrow arrangement, the Manager to the Open Offer is satisfied that the firm arrangements have been put in place by the Acquirer and PAC to fulfill their obligations through verifiable means in relation to the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer, M/s. Navigant Corporate Advisors Limited, hereby confirms that the Acquirer is capable to implement the Offer obligations in accordance with the SEBI (SAST) Regulations.

## **7. TERMS AND CONDITIONS OF THE OFFER:**

- 7.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of YEL (except the Acquirer, PAC and Sellers) whose name appear on the Register of Members, at the close of business hours on 27.08.2019 ("Identified Date").
- 7.2. All owners of the shares, Registered or Unregistered (except the Acquirer, PAC and Sellers) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible Persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

- 7.3. The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. While it would be insured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt the Letter of Offer by any member entitled to this open offer will not invalidate the Offer in any manner whatsoever.
- 7.4. Subject to the conditions governing this Offer, as mentioned in the Draft LOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.
- 7.5. **Locked-in Shares:**
- There are no locked-in shares in YEL.
- 7.6. **Eligibility for accepting the Offer:**
- The Offer is made to all the public shareholders (except the Acquirer, PAC and Parties to SPA) whose names appeared in the register of shareholders on 27.08.2019 at the close of the business hours on 27.08.2019 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).
- 7.7. **Statutory Approvals and conditions of the Offer:**
- 7.7.1. To the best of knowledge and belief of the Acquirer and PAC, as of the date of this DLOF, there are no statutory approvals required for this Offer. However, if any statutory that 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.
- 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.
- 7.7.2. Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as “RBI”) approvals that they would have obtained for acquiring, the 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 in the Offer.”
- 7.7.3. The Acquirer and PAC, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a PA will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS has appeared.
- 7.7.4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations, will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.
- 7.7.5. No approval is required from any bank or financial institutions for this Offer.
- 7.7.6. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.
8. **PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:**
- 8.1. 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.
- 8.2. BSE Limited (‘BSE’) shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Open Offer.

- 8.3. The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Open Offer shall be available on the BSE in the form of Separate Window (“Acquisition Window”).
- 8.4. The Acquirer has appointed Allwin Securities Limited, Stock Broker for the open offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the buying broker are as mentioned below:

**Allwin Securities Limited**  
B-205/206, Ramji House,  
30 JSS Road, Mumbai-400 002  
Tel: +91-22-4344 6444  
E-mail: [allwinsec@gmail.com](mailto:allwinsec@gmail.com)  
Website: [www.allwinsecurities.com](http://www.allwinsecurities.com)  
SEBI Registration No.: INZ000239635

- 8.5. All the shareholders who desire to tender their equity shares under the Open Offer will have to intimate their respective stock brokers (“Selling Brokers”) within the normal trading hours of the Secondary Market, during the Tendering period.
- 8.6. Such shares would be transferred to a special account of the clearing corporation specifically created for this purpose prior to placing the bid. The stock brokers shall also forward to the Clearing Corporation such details regarding the shares tendered as may be required by the Merchant Banker.
- 8.7. A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.
- 8.8. 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.
- 8.9. Shareholders can tender their shares only through a Broker with whom the shareholder is registered as client.
- 8.10. **Procedure for tendering shares held in Dematerialized 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 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 the Stock Exchanges/ 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 shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
  - f) The shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The shareholders holding Equity shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

**8.11. Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:**

As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Offer can do so only after the Equity Shares are dematerialised. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialised.

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

8.13. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the tendering period

**8.14. Procedure for Tendering the Shares in case of Non-Receipt of this 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 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 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 Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of this Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or BSE website ([www.bseindia.com](http://www.bseindia.com)) or Merchant Banker website ([www.navigantcorp.com](http://www.navigantcorp.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 this Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

8.15. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in this Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

**8.16. 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, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the 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 Shareholder shall not be less than the minimum marketable lot.

**8.17. 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 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 favor of Clearing Corporation.

b) 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 Shareholders.

#### **8.18. 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. 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 Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling 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 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.

#### **9. 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 Navigant Corporate Advisors Limited, 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andjeri-Kurla Road, Andheri East, Mumbai-400-059 from 11.30 a.m. to 2.30 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

- 9.1 Certificate of Incorporation, Memorandum and Articles of Association of Yogya Enterprises Limited.
- 9.2 Certificate of CA Prashant Pathak (Membership No. 116933), partner of M/s. Ashar & Pathak, Chartered Accountants (Firm Registration No. 127006W) certifying the Net worth of Acquirer.
- 9.3 Annual Reports of Yogya Enterprises Limited for years ended on March 31, 2017 and 2018 and Financial Statements for the year ended on March 31, 2019.
- 9.4 Copy of Bank Guarantee amounting Rs. 50.05 Lacs issued by Axis Bank.
- 9.5 Copy of Public Announcement dated 17<sup>th</sup> July, 2019.
- 9.6 Published copy of the Detailed Public Statement, which appeared in the newspapers on 24<sup>th</sup> July, 2019.
- 9.7 Copy of Recommendation made by Committee of Independent Directors of YEL dated (.)
- 9.8 Observation letter no (.) dated (.) on the draft Letter of Offer filed with the Securities and Exchange Board of India.
- 9.9 Memorandum of Understanding between Lead managers i.e. Navigant Corporate Advisors Limited & Acquirer.

## **10. DECLARATION BY THE ACQUIRER AND PAC**

We have jointly & severally made all reasonable inquiries, accept responsibility for, and confirm that this DLOF contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this DLOF is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

We are jointly & severally responsible for ensuring compliance with the Takeover Regulations and the obligations as stated under the Takeover Regulations. All information contained in this document is true and correct as on date of the PA, DPS and this DLOF, unless stated otherwise.

We hereby jointly & severally declare and confirm that all the relevant provisions of Companies Act, 1956/2013 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956/2013 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

**Signed By:**

**On Behalf of Acquirer and PAC**

**Mr. Yatin Bhupendra Shah**

Place: Mumbai

Date: 30.07.2019