

DRAFT LETTER OF OFFER**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Draft Letter of Offer (“DLOF”) is sent to you as a shareholder(s) of Amaze Entertech Limited. If you require any clarifications about the action to be taken, you may consult your Stockbroker or Investment Consultant or Manager / Registrar to the Offer. In case you have recently sold your Equity Shares in the Company, please hand over this LOF and the accompanying Form of Acceptance-cum-Acknowledgement (“FOA”) to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER (“OFFER”)

This Offer is being made pursuant to **Regulation 3(1) and 4** of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**the SEBI (SAST) Regulations**”) for the acquisition of **2,02,51,400** fully paid-up equity shares of ₹10/- each (“**the Equity Shares**”), representing **26%** of the Diluted Share and Voting Capital (“**the Offer Size**”) at a price of **₹ 10/-** (Rupees Ten Only) per Equity Share (“**the Offer Price**”) payable in **Cash**

BY

MR. JASPALSINGH PREHLADSINGH CHANDOCK (“ACQUIRER”)**MR. TRIMAAN JASPALSINGH CHANDOCK (“PAC 1”)****MR. JAIKARAN JASPALSINGH CHANDOCK (“PAC 2”)****Residential Address:** Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald’s, Khar West, Mumbai 400 052, Maharashtra, India**Contact No.:** +91-22-26000095; **Email:** jaspal.singh@baluindustries.com; trimaan@baluindustries.com; jaiakaran@baluindustries.com

TO THE EQUITY SHAREHOLDERS OF

AMAZE ENTERTECH LIMITED (“TARGET COMPANY”)

CIN: L72100MH1989PLC255933

Registered Office: 156,1st Floor, Raghuleela Mega Mall, Poisar Gymkhana Road, Kandivali (West), Mumbai-400067, Maharashtra, India.**Tel. No.** +91-8655075578, **Email:** amazeentertech@gmail.com; **Web:** www.amazeentertechlimited.com**ATTENTION**

1. This Offer is neither conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations nor it is a competing offer in terms of the Regulation 20 of the SEBI (SAST) Regulations.
2. Save and except the approval of the shareholders of the Target Company as on the date of this DLOF, to the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approvals which are required to make this Offer, except receipt of in-principle approval from the BSE Limited for allotment of Equity Shares and Warrants to the Acquirer (as defined below).
3. If there is any upward revision in the Offer Price/Offer Size at any time upto one (1) working day prior to the commencement of the Tendering Period in terms of the SEBI (SAST) Regulations, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (“DPS”) was released. Such revised Offer Price would be payable to all the Shareholders, who have validly tendered their Equity Shares anytime during the Tendering Period to the extent their Equity Shares have been verified and accepted under the Offer, by the Acquirer. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS is published.
4. **If there are competing offers: The public offers under all the subsisting bids shall open and close on the same date.**
5. A copy of Public Announcement, Detailed Public Statement, Draft Letter of Offer (including Form of Acceptance-cum- Acknowledgement) will be available on Securities Exchange Board of India (“SEBI”) website: www.sebi.gov.in

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>SYSTEMATIX GROUP Investments Re-defined</p>	 <p>Skyline Financial Services Pvt.Ltd.</p>
<p>SYSTEMATIX CORPORATE SERVICES LIMITED The Capital, A Wing, 603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. Telephone: +91 22 6704 8000 Fax: +91 22 6704 8022 E-mail: ecm@systematixgroup.in Website: www.systematixgroup.in Contact Person: Amit Kumar SEBI Registration Number: INM000004224</p>	<p>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED A/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Andheri East, Mumbai -400 072 Maharashtra, India. Telephone: +91 22 2851 1022 Fax: Not Available E-mail: pravin.cm@skylinerta.com Website: www.skylinerta.com Contact Person: Pravin Golatkar SEBI Registration No. INR000003241</p>
OFFER / TENDERING PERIOD (“TP”)	
STARTS ON: WEDNESDAY, SEPTEMBER 23, 2020	CLOSES ON: WEDNESDAY, OCTOBER 07, 2020

SCHEDULE OF ACTIVITIES

Activity	Day and Date [#]
Date of the Public Announcement (PA)	Monday, August 03, 2020
Date of the Detailed Public Statement (DPS)	Monday, August 10, 2020
Last date of filing Draft Letter of Offer (DLOF) with SEBI	Monday, August 17, 2020
Last date for a Competitive Bid / Offer	Monday, August 31, 2020
Identified Date*	Wednesday, September 09, 2020
Last date for dispatch of the Letter of Offer to the Public Shareholders	Wednesday, September 16, 2020
Last date for public announcement by the Independent Directors committee of the Target Company on the Offer	Monday, September 21, 2020
Last date for upward revision of the Offer Price or any increase in the Offer Size	Tuesday, September 22, 2020
Offer Opening Public Announcement (Pre-Offer PA)	Tuesday, September 22, 2020
Date of Opening of the Tendering Period (TP) / Offer	Wednesday, September 23, 2020
Date of Closure of the Tendering Period (TP) / Offer	Wednesday, October 07, 2020
Last date for communicating the rejection /acceptance; Completion of payment of consideration or refund to the shareholders	Tuesday, October 20, 2020
Last date for release of Post-Offer Public Announcement (Post-Offer PA)	Wednesday, October 28, 2020
Submission of Final Report by the Manager to the Offer with SEBI	Wednesday, October 28, 2020

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

#The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of relevant approvals from various regulatory authorities and may have to be revised accordingly.

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates. Duly Signed FOA and Transfer Deed(s) together with Share Certificate(s) in case of physical shares and duly signed FOA and delivery instruction slip in case of dematerialized shares should be dispatched by Registered Post / Courier or Hand Delivery to **Skyline Financial Services Private Limited (“Registrar to the Offer”)** to arrive not later than 18:00 hours on or before Friday, October 09, 2020 i.e. within two working days from closure of the TP.

RISK FACTORS

A. RISK IN RELATION WITH THE OFFER

1. As of date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. In the event that:
 - a. any statutory approvals are required by the Acquirer at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals and in case such approvals are not received in time;
 - b. there is any order of a governmental authority or a litigation leading to a stay or injunction on the Offer or that restricts or restrains the Acquirer from performing its obligations hereunder; or
 - c. the SEBI instructs the Acquirer not to proceed with the Offer,
 then the Offer process may be withdrawn or delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Eligible Equity Shareholders whose Equity Shares have been accepted in this Offer as well as return of the Equity Shares not accepted by the Acquirer may be delayed.

In case the delay is due to non-receipt of statutory approval(s), as may be required at a later date, then in accordance with regulation 18(11) of the SEBI (SAST) Regulations, the SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default, failure or negligence on the part of the Acquirer in diligently pursuing such approval, grant an extension for the purpose of completion of the Offer subject to the Acquirer agreeing to

pay interest to the validly tendering Eligible Equity Shareholders at such rate as may be specified by the SEBI. Provided where the statutory approvals extend to some but not all the Eligible Equity Shareholders, the Acquirer will have the option to make payment of the consideration to such Eligible Equity Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirer will have the right not to proceed with this Offer in the event any statutory approval, as may be required, is refused.

2. The Acquirer will not proceed with the Offer in the event statutory or other approvals, if any are required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations. In the event of a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
3. All Eligible Equity Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Equity Shares in the Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, 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 in the Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Offer. If the Equity Shares are held under general permission of the RBI, then the non-resident Eligible Equity Shareholder must state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable or non-repatriable basis.
4. In the event of any litigation leading to a stay on this Offer by a court of competent jurisdiction, or the SEBI instructing that this Offer should not proceed, then this Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated on page 02 of this Draft Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer by the Acquirer, may be delayed.
5. The Equity Shares, once tendered through the Form of Acceptance in the Offer, cannot be withdrawn by the Eligible Equity Shareholder during the Tendering Period, even if the acceptance of the Equity Shares in this Offer and, or, dispatch of consideration are delayed.
6. The Eligible Equity Shareholders may tender their Equity Shares in this Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirer has up to 10 Working Days, or such extended period as may be permitted by the SEBI, from the date of closure of the Tendering Period to pay the consideration to the Eligible Equity Shareholders whose Equity Shares are accepted in this Offer.
7. The Equity Shares tendered in the Offer will be held in trust by the Clearing Corporation (as defined below), on behalf of the Eligible Equity Shareholders who have tendered their Equity Shares, till the completion of the formalities of this Offer, and the Eligible Equity Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares held in trust by the Clearing Corporation during such period, even if the acceptance of the Equity Shares in this Offer and, or dispatch of payment consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares and the Eligible Equity Shareholder will not be able to trade in such Equity Shares which are in the custody of the Clearing Corporation, thereby restricting the ability of such Eligible Equity Shareholders to take advantage of any favourable price movements. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity Shares before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Eligible Equity Shareholders on whether or not to participate in this Offer.
8. The Acquirer and the PACs accept no responsibility for statements made otherwise than in the Public Announcement ("PA"), the DPS, this Draft Letter of Offer or the Letter of Offer or in any advertisement or any materials issued by or at the instance of the Acquirer. Any persons placing reliance on any other source of

information will be doing so at their own risk. Further, the Acquirer and the Manager to the Offer does not accept responsibility with respect to the information contained in the PA, the DPS, or this Draft Letter of Offer or the Letter of Offer that pertains to the Target Company and/or, the Sellers which have been provided by the Target Company, the Seller or taken from publicly available sources and have not independently verified the accuracy of such information.

9. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe the applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrument from within the United States of America.
10. The Eligible Equity Shareholders are advised to consult their respective tax advisers for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
11. The Acquirer, the PACs and the Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Eligible Equity Shareholders on whether or not to participate in this Offer.

B. RISKS RELATING TO THE ACQUIRER AND THE PACs

1. The Acquirer makes no assurances with respect to their investment or divestment decisions relating to their proposed shareholding in the Target Company.
2. The Acquirer makes no assurances with respect to the continuation of the past trend in the financial performance or of the future performance of the Target Company.
3. The Acquirer makes no assurances with respect to the market price of the Equity Shares before, during or after this Offer and expressly disclaims any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Eligible Equity Shareholder on whether to participate or not to participate in this Offer.
4. The acquisition of Equity Shares pursuant to this Offer, together with the Equity Shares acquired pursuant to the SPA, the BSA and preferential issue of Warrants to Acquirer, may result in public shareholding in the Target Company falling below the level required for continued listing as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). While the Acquirer (may alongwith the Target Company) is required to decrease the non-public shareholding to the level specified and within the time stipulated under the SCRR, as amended, as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and, or, the SEBI Listing Regulations, any failure to comply with the aforesaid regulations could have an adverse effect on the price and tradability of the Equity Shares.

C. RISK IN THE TRANSACTION

The Offer contains a clause that it is subject to the provisions of the SEBI (SAST) Regulations and in case of non-compliance with any of the provisions of the SEBI (SAST) Regulations; the Acquirer shall not act upon the acquisition of Equity Shares under the Offer.

CURRENCY OF PRESENTATION

In this DLOF, all references to 'Rupees' or '₹' or 'INR' or 'Rs.' are references to the Indian Rupee(s), the currency of the Republic of India. Throughout this DLOF, all figures have been expressed in "Lakh" unless otherwise specifically stated. In this DLOF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and / or regrouping.

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1. ABBREVIATIONS / DEFINITIONS

The following abbreviations / definitions apply throughout this document, unless the context requires otherwise:

PARTICULARS	DETAILS / DEFINITIONS
Acquirer	Mr. Jaspalsingh Prehladsingh Chandock
AOA	Articles of Association
BSA	Business Succession Agreement dated August 03, 2020 entered into among M/s. Balu India, sole proprietary concern of Acquirer and the Target Company prescribing the details of succession of Balu India by the Target Company, wherein the Acquirer will receive Consideration by way of allotment of shares in the Target Company
BSE	BSE Limited, formerly known as Bombay Stock Exchange Limited
Buying Broker	Systematix Shares and Stocks (India) Limited
Cash Escrow Account	Opened for the purpose for keeping minimum escrow requirements
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Convertible Warrants / Warrants	A convertible financial instrument that gets converted into Equity Shares of the issuer company within 18 months from the date of allotment
Companies Act	The Companies Act, 1956 or The Companies Act, 2013 as amended or modified from time to time
Commencement of TP	Wednesday, September 23, 2020 i.e. Offer Opening Date
Closure of the TP	Wednesday, October 07, 2020 i.e. Offer Closing Date
Demat Holders	Shareholders of the Target Company who are holding their Equity Shares in dematerialized form
DIN	Director Identification Number
Diluted Share and Voting Capital	The total voting equity share capital of the Target Company consisting of 6,86,90,000 Equity Shares and 92,00,000 Warrants convertible to equal number of Equity Shares of ₹ 10/- each on a fully diluted basis as of the tenth (10 th) working day from the closure of the Tendering Period of the Offer.
DLOF	Draft Letter of Offer dated August 14, 2020
DP	Depository Participant
DPS	Detailed Public Statement, dated August 08, 2020 issued by the Manager to the Offer, on behalf of the Acquirer and the PACs in relation to the Offer and published in Newspapers on Monday, August 10, 2020 in accordance with Regulations 3(1) and 4 read with Regulations 13(4), 14(3) and 15(2) of the SEBI (SAST) Regulations
Depositories	CDSL and NSDL
Eligible Persons	All the Shareholders of the Target Company (registered and unregistered) who own the Equity Shares at any time prior to the closure of the TP except the Acquire and the PACs
Escrow Agreement	Escrow Agreement dated August 03, 2020 between the Acquirer and the Escrow Agent and Manager to the Offer
EPS	Earnings Per Share = Profit after Tax / Total no. of outstanding equity shares
Equity Share(s)	Fully Paid-up Equity Share(s) of ₹ 10/- each of the Target Company unless it is specified
Escrow Agent	Union Bank of India, Opera House Branch, 365/367 VP Road, Mumbai 400 004
FCDs	Fully Convertible Debentures
FEMA	Foreign Exchange Management Act, 1999
FII	Foreign Institutional Investors
Form of Acceptance / FOA	The application-cum-acknowledgement form which is enclosed with this DLOF for accepting the Offer
FY	Financial Year
GIR	General Index Register
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
Identified Date	September 09, 2020 i.e. the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the names of the Eligible Equity Shareholders of the Target Company to whom the Letter of Offer would be sent
Income Tax Act / I.T.	Income Tax Act, 1961

IFSC	Indian Financial System Code
Independent Valuer	FCA Payal Gada of M/s Payal Gada & Co., Chartered Accountants having office at S-15, Second Floor, Sej Plaza, Marve Road, Malad (West), Mumbai 400 064. Email – payal@payalgadaco.in ; Tel. No. +91-22-2801 2075
ISIN	International Securities Identification Number
Letter of Offer / LOF	The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer, including the Form of Acceptance-cum-Acknowledgement, proposed to be sent to all the Eligible Equity Shareholders in accordance with the provisions of the SEBI (SAST) Regulations
Listing Agreement	Listing Agreement with the stock exchanges in India, as amended from time to time
Listing Regulations	SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended
LLP	Limited Liability Partnership
Manager to the Offer	Systematix Corporate Services Limited
MICR	Magnetic Ink Character Recognition
MOA	Memorandum of Association
NEFT	National Electronic Fund Transfer
MPS	Minimum Public Shareholding as defined in SCRR, which is 25% in case of the Target Company
NRI(s)	Non-Resident Indian(s) and persons of Indian origin residing abroad
No.	Number
NA/N.A.	Not Applicable
Negotiated Price	₹ 10 each for Sale Shares between the PACs and the Sellers
Newspapers	The detailed public statement in connection with the Offer, published on behalf of the Acquirer on Monday, August 10, 2020 in the following newspapers: (a) Financial Express (all editions); (b) Jansatta (all editions); and (c) Mumbai Lakshadeep (Mumbai edition).
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
Offer / Open Offer	Open offer being made by the Acquirer to the Eligible Equity Shareholders of the Target Company to acquire up to 2,02,51,400 Equity Shares, representing 26% of the Diluted Share and Voting Capital, at a price of ₹10/- (Rupees 10 only) per Equity Share
Offer Period	The period between the date on which the SPA was executed and the date on which the payment of consideration to the Eligible Equity Shareholder whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be
Offer Price	₹10/- (Rupees 10 only) for each fully paid-up equity share payable in cash to the shareholders of the Target Company
Offer Size / Open Offer Equity Shares	Up to 2,02,51,400 Equity Shares of the face value of ₹10/- each representing 26% of the Diluted Share and Voting Capital of Target Company as of the tenth working day from the closure of the Tendering Period
PAC 1	Mr. Trimaan Jaspalsingh Chandock
PAC 2	Mr. Jaikaran Jaspalsingh Chandock
PACs	Collectively, the PAC 1 and the PAC 2
PAC / Persons Acting in Concert	Persons who, with a common objective or purpose of acquisition of equity shares or voting rights in, or exercising control over a Target Company
PAN	Permanent Account Number
PCDs	Partly Convertible Debentures
Physical Holders	Shareholders of the Target Company who are holding Equity Shares in physical form
Public Announcement / PA	The public announcement in connection with the Offer dated August 03, 2020 issued by the Manager to the Offer on behalf of the Acquirer and the PACs, in relation to this Offer and e-filed with the BSE and the Target Company and uploaded on SEBI's portal on Monday, August 03, 2020.
Preferential Issue / Proposed Preferential Issue	The proposed preferential allotment as approved by the Board of Directors of the Target Company at their meeting held on August 03, 2020 subject to approval of the members and other regulatory approvals of 6,83,40,000 fully paid up Equity Shares of face value of ₹10 each at par per Equity Share for Cash to Others and Other than Cash to the Acquirer and 92,00,000 Convertible Warrants into 92,00,000 Equity Shares of ₹ 10 each at a price of ₹ 10 each for Cash to the Acquirer and others

Pre-Issue Share Capital	Paid up Equity Share Capital of the Target Company prior to the proposed Preferential Issue i.e.; ₹35,00,000 divided into 3,50,000 Equity Shares of ₹10/- each
Promoter / Promoter Group	Promoter or members of Promoter Group of the Target Company unless it is specified
RBI	Reserve Bank of India
Registrar to the Offer	Skyline Financial Services Pvt. Ltd., Mumbai
ROC	Registrar of Companies
₹/ Rs. / Rupee(s) / INR	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
SCRR	Securities Contract (Regulations) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended or modified from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 and subsequent amendments thereto
Seller 1	Mr. Shivputra G Bellad
Seller 2	Mr. Prashant Shivputra Bellad
Sellers	Collectively, Seller 1 and Seller 2
Settlement Date	The date on which bids/Equity Shares accepted in the Offer shall be squared-off on BSE
Sl. No.	Serial Number
SPA	Share Purchase Agreement dated August 03, 2020 whereby 86,050 (Eighty Six Thousand and fifty) Equity Shares agreed to be acquired by the PACs at a price of ₹10.00 (Rupees Ten only) per Equity Share aggregating to ₹8,60,500 (Rupees Eight Lakhs Sixty Thousand Five Hundred only) from the Sellers who are also the current promoters of the Target Company
SPA Shares	86,050 (Eighty Six Thousand and fifty) Equity Shares held by the current Promoters of the Company
Special Account	Opened with Escrow Agent for the purpose of making payment to the Buying Broker
Stock Exchanges	Collectively, the BSE and the NSE
STT	Securities Transaction Tax
Target Company	Amaze Entertech Limited, Mumbai
Tendering Period / TP	Period of 10 working days within which Shareholders of Target Company may tender their equity shares in acceptance to the Offer
TDS	Tax Deduction at Source
TRC	Tax Residence Certificate
TRS	Transaction Registration Slip
Working Day(s)	Working days of SEBI as defined in the SEBI (SAST) Regulations

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

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2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DLOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DLOF 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 AMAZE ENTERTECH LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DLOF. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DLOF, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, SYSTEMATIX CORPORATE SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED AUGUST 14, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DLOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

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3. DETAILS OF THE OFFER

3.1. BACKGROUND OF THE OFFER

3.1.1. This Offer is a “Mandatory Offer” under the Regulation 3(1) and 4 of the SEBI (SAST) Regulations being made jointly by the Acquirer and the PACs to the equity shareholders of the Target Company for substantial acquisition of Diluted Shares and Voting Rights accompanied with change in control of the Target Company.

3.1.2. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of the Equity Shares.

3.1.3. a) The Board of Directors of the Target Company in the meeting held on Monday, August 03, 2020, has subject to the approval of the Shareholders of the Target Company and other regulatory approvals, as applicable, agreed to issue and allot, on a preferential basis 4,78,40,000 Equity Shares in lieu of the consideration as mentioned in the BSA and 66,00,000 Convertible Warrants (“Warrants”) for Cash at a price of ₹ 10/- (Rupees Ten only) each for Equity Shares and Warrants aggregating to ₹ 5444.00 Lakh representing 69.89% of the Diluted Share and Voting Capital of the Target Company on preferential basis to the Acquirer. The Purchase Consideration of ₹ 47,84,00,000 for Balu India in accordance with the BSA is based on the valuation report dated August 03, 2020 submitted by FCA Payal Gada of M/s Payal Gada & Co., Chartered Accountants having office at S-15, Second Floor, Sej Plaza, Marve Road, Malad (West), Mumbai 400 064; Email – payal@payalgadaco.in; Tel. No. +91-22-2801 2075 (“Independent Valuer”).

b) The Board of Directors of the Target Company in the same meeting held, has also subject to the approval of the Shareholders of the Target Company and other regulatory approvals, as applicable, agreed to issue and allot, on a preferential basis 2,05,00,000 Equity Shares and 26,00,000 Warrants of the Target Company to Public for “Cash” at a price of ₹ 10/- (Rupees Ten only) each aggregating to ₹ 2310.00 Lakh representing 29.66% of the Diluted Share and Voting Capital of the Target Company.

c) The detailed proposed allotment of Equity Shares and Convertible warrants of the Target Company at a price of ₹ 10/- per Equity Share and Warrants for Cash and other than Cash are tabled below:

Name of proposed Allottees	Preferential issue under the BSA (Consideration – Other than Cash)		Preferential issue for “Cash”		Total Number of Equity Shares and Warrants held in TC Post Pref. Issue	% of Total Number of Equity Shares on Diluted Share and Voting Capital
	A	B	C = A+B	D = % of C		
	Equity Shares	Convertible Warrants	Equity Shares	Convertible Warrants	Consolidated Equity Shares & Warrants	%
Acquirer	4,78,40,000	0	0	66,00,000	5,44,40,000	69.89
PACs	0	0	0	0	0	0
Others (Public)	0	0	2,05,00,000	26,00,000	2,31,00,000	29.66

3.1.4. Furthermore, on Monday, August 03, 2020, the PACs have entered into a SPA with the current Promoters of the Target Company (“Sellers”). Pursuant to the SPA, the PACs have agreed to acquire 86,050 Equity Shares (“SPA Shares”) representing up to 24.59% of Pre-Issue Share Capital and 0.11% of the Diluted Share and Voting Capital of the Target Company at a price of ₹10/- per Equity Share, aggregating to a purchase consideration of up to ₹8.61 lakh payable in cash.

3.1.5. Pursuant to signing of the Agreements and subscription of Warrants for Cash by the Acquirer, the details of proposed acquisitions by the Acquirer and the PACs are as follows:

Name of the Acquirer & the PACs	Equity Shares	Convertible Warrants	Total Number of Equity Shares on Diluted Share and Voting Capital	% of Total Number of Equity Shares on Diluted Share and Voting Capital
Mr. Jaspalsingh Prehladsingh Chandock (Acquirer)	4,78,40,000*	66,00,000	5,44,40,000	69.89
Mr. Trimaan Jaspalsingh Chandock (PAC 1)	75,900	0	75,900	0.10
Mr. Jaikaran Jaspalsingh Chandock (PAC 2)	10,150	0	10,150	0.01
Total	4,79,26,050	66,00,000	5,45,26,050	70.00

*Subscribed for Other than Cash in terms of the BSA

3.1.6. Salient features of the Business Succession Agreement (“BSA”) is as under:

- a. The BSA is signed between Balu India (“Vendor”) and Amaze Entertech Limited (“Successor”) where by the Vendor shall be succeeded by the Successor on a going concern basis by means of a “succession / transfer / assign” (as defined in section 47(xiv) of the Income Tax Act, 1961), for a consideration and subject to the terms, conditions and provisions set forth hereinafter on and from the Completion Date, however such sale and purchase being effective as of the Effective Date.
- b. In consideration for succession of the Business, the Successor has agreed to issue on preferential allotment basis and the Vendor has agreed to subscribe to, 4,78,40,000 Equity Shares of the Successor representing 61.42% of the post issue total issued and paid up share capital of the Successor (the Vendor Subscription Shares) in accordance with the terms and conditions set out in the Agreement.
- c. The Parties acknowledge that prior to acquisition of the Shares, the Vendor is required to make a public announcement to the public shareholders of the Successor to acquire up to 26% of the total issued and paid up share capital of the Successor in accordance with the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.
- d. All assets acquired and all liabilities incurred by the Vendor after the 1st April, 2020 but prior to the Effective Date for operation of and in relation to the business shall also without any further act, instrument or deed stand transferred to and vested in or to be deemed to have been transferred to or vested in the Successor upon the coming into effect of the Agreement, subject to the provisions of this Agreement in relation to Encumbrances in favour of lenders, banks and/or financial institutions .
- e. With effect from the Effective Date and upto and including the Completion Date, all economic benefits including the profit and loss arising or accruing or relating to the Business shall, for all purposes, be treated as the profits/ losses of the Successor.
- f. The Business Succession Agreement though executed on 3rd August 2020 but is operative from 1st April, 2020. All Assets and Liabilities of the Vendor shall, without any further act or deed, shall become the assets and liabilities of the Successor from the Completion Date.
- g. The Purchase Consideration of ₹47,84,00,000/- (Indian Rupees Forty Seven Crore Eighty Four Lakhs Only) has been agreed between the Parties based on a valuation report dated 3rd August, 2020 of an independent valuer i.e. M/s. Payal Gada & Co. Chartered Accountants, Mumbai.
- h. The name of the Successor will be changed in consultation with the Vendor and new name may be Balu Forge Limited or any other name as may be mutually discussed and decided between Vendor and Successor subject to the name available for adoption by Ministry of Corporate Affairs, Government of India and approval of Stock Exchange as it will be required.
- i. The object clause of Memorandum of association of the successor will be amended / altered in order to carry on the business of the Vendor and same is subject to approval of shareholders and Registrar of Companies.

3.1.7. The Salient features of the Share Purchase Agreement (“SPA”) is as under:

- a. The SPA sets forth the terms and conditions agreed between the Sellers, the PACs, and their respective rights and obligations.
- b. The PACs shall acquire 86,050 Equity Shares of ₹ 10 each of the Company, representing 24.59% of Pre-Issue Share Capital and 0.11% of the Diluted Share and Voting Capital of the Target Company.
- c. The Purchase Consideration for the Sale Shares shall be at the rate of ₹ 10 (Rupees Ten only) per share. The PACs shall pay the Purchase Consideration relating to the Sale Shares acquired by such PACs.
- d. Pursuant to SPA, PAC 1 shall acquire 75,900 Equity Shares and PAC 2 shall acquire 10,150 Equity Shares from Mr. Shivputra G Bellad and Mr. Prashant Shivputra Bellad respectively.
- e. Apart from the total consideration of ₹8,60,500 (Rupees Eight Lakh Sixty Thousand and Five Hundred only) for the Sale Shares, no separate fees, payment, premium such as non-competing fee etc. shall be paid by PACs to the Sellers for acquisition of the Sale Shares and management control of the Company.
- f. The Sale Shares shall be transferred to the respective PACs on completion of the Open Offer and simultaneously SPA consideration shall be paid to respective Sellers.

3.1.8. The SPA shares are lying in the respective Demat Accounts of the Sellers and free from any lock-in and encumbrances.

3.1.9. The Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act, 1992.

3.1.10. Based on the shareholding pattern of the Target Company as on June 30, 2020, as available on the website of BSE, the Sellers are a part of the promoter group of the Target Company.

3.1.11. As on the date of this Draft Letter of Offer, the Sellers hold 86,050 Equity Shares representing 24.59% of Pre-Issue Share Capital and 0.11% of the Diluted Share and Voting Capital of the Target Company. The shareholding or voting rights of the Sellers in the Target Company before and after the sale of Equity Shares to the PACs pursuant to the SPA are as follows:

Sr. No.	Name of the Seller	Name of the Buyer	Details of Equity Shares / Voting Rights held by the Selling Shareholder / Sellers			
			Pre Transaction		Post Transaction	
			Number of Equity Shares	% vis-à-vis Diluted Share and Voting Capital	Number of Equity Shares	% vis-à-vis Diluted Share and Voting Capital
1.	Mr. Shivputra G Bellad	Mr. Trimaan Jaspalsingh Chandock (“PAC 1”)	75,900	0.10	NIL	NIL
2.	Mr. Prashant Shivputra Bellad	Mr. Jaikaran Jaspalsingh Chandock (“PAC 2”)	10,150	0.01	NIL	NIL
Total			86,050	0.11	NIL	NIL

3.1.12. By virtue of the above proposed acquisitions, the Acquirer along with the PACs will be holding substantial stake and will be in control over the Target Company. Accordingly, this Offer is being made in terms of Regulation 3(1) and Regulation 4 read with Regulation 13(2A)(i) and other applicable provisions of the SEBI (SAST) Regulations.

3.1.13. The Equity Shares and Convertible Warrants proposed to be issued under the Proposed Preferential Issue, if allotted to the Acquirer and the PACs, during the Offer Period, shall be kept in a separate ‘DP Escrow Account’ in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations. The Registrar to the Offer will have the right to operate the DP Escrow Account and the Acquirer and the PACs will not exercise any voting rights over the said Equity Shares kept in the DP Escrow Account. Upon fulfillment of all the Offer related formalities, the said Equity Shares and Convertible Warrants will be transferred to the respective DP accounts of the Acquirer and the PACs and the DP Escrow Account will be closed thereafter.

3.1.14. Pursuant to DP Escrow Agreement dated August 03, 2020, a Demat Escrow Account in the name and style "Amaze Entertech Ltd – Open Offer Account – Operated by Skyline" shall be opened with Systematix Shares and Stocks (India) Limited prior to allotment under the preferential issue.

3.1.15. The list of Persons Acting in Concert ("PACs") with the Acquirer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations in relation to this Offer is disclosed at para 4.2 and 4.3 on page 17 and 18 respectively of the DLOF.

3.1.16. The Proposed change in control of the Target Company is not through any Scheme of Arrangement.

3.1.17. The Acquirer and the PACs reserve the right to nominate himself/themselves or someone representing them to be Director(s) on the Board of the Target Company during the Offer Period in accordance with SEBI (SAST) Regulations by depositing 100% of the Maximum Consideration payable under the Offer in the Cash Escrow Account as required under Regulation 24(1) of the SEBI (SAST) Regulations.

3.1.18. As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company are required to constitute a committee of Independent Directors to provide reasoned recommendation on this Offer to the Eligible Shareholders. Such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

3.2. DETAILS OF THE PROPOSED OFFER

3.2.1. The Public Announcement in connection with the Offer was issued by the Manager to the Offer on behalf of the Acquirer and the PACs on Monday, August 03, 2020 and was e-filed with BSE and the Target Company. Simultaneously, the PA was also uploaded on the SEBI's portal on Monday, August 03, 2020.

3.2.2. In terms of Regulation 13(4) of the SEBI (SAST) Regulations, the DPS dated August 08, 2020 was published on Monday, August 10, 2020 i.e. within 5 (five) Working Days of the date of PA in the following newspapers:

Sl. No.	Newspapers	Language	Editions
1.	The Financial Express	English	All Editions
2.	Jansatta	Hindi	All Editions
3.	Mumbai Lakshadeep ⁵	Marathi	Mumbai Edition

⁵Where Equity Shares of the Target Company are listed and where Regd. Office of the Target Company is situated.

Simultaneously, in accordance with the provisions of Regulation 14(4) of the SEBI (SAST) Regulations, a copy of the DPS was e-filed by the Manager to the Offer with (i) SEBI; (ii) BSE and (iii) the Target Company on Monday, August 10, 2020.

3.2.3. A copy of the PA and the DPS is also available on the website of the SEBI (www.sebi.gov.in).

3.2.4. The Acquirer and the PACs have made the Offer in accordance with the Regulation 3(1) and 4 of the SEBI (SAST) Regulations to all the Eligible Equity Shareholders of the Target Company for the acquisition of 2,02,51,400 Equity Shares representing 26% of the Diluted Share and Voting Capital of the Target Company in accordance with the provisions of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS and the Letter of Offer which is proposed to be sent to all the Eligible Equity Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

3.2.5. The Offer is being made at a price of ₹ 10 (Rupees Ten only) per Equity Share and will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations. All Equity Shares accepted in the Open Offer shall be solely acquired by the Acquirer only.

3.2.6. As on the date of this Draft Letter of Offer, there are no partly paid-up Equity Shares in the Target Company.

- 3.2.7. As on the date of this Draft Letter of Offer, there are no outstanding convertible securities, depository receipts, warrants or instruments issued by the Target Company convertible into Equity Shares.
- 3.2.8. The Offer is being made to all the Shareholders of the Target Company except to the current Promoters of the Target Company, the Acquirer and the PACs. The Equity Shares of the Target Company under the Offer will be acquired solely by the Acquirer as fully paid-up, free from any lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 3.2.9. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations and there is no competing offer as on the date of this DLOF.
- 3.2.10. This Offer is not conditional on any minimum level of acceptance by the Eligible Equity Shareholder. Further, there is no differential pricing for this Offer.
- 3.2.11. The Acquirer and the PACs have not acquired any Equity Shares of the Target Company after the date of PA.
- 3.2.12. The Acquirer and the PACs undertake that they will not tender any Equity Shares in this Offer.
- 3.2.13. The Acquirer and the PACs undertake not to 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.
- 3.2.14. The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer and as on the date of this DLOF. The Manager to the Offer further declares and undertakes that it shall not deal in the Equity Shares of the Target Company during the period commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
- 3.2.15. As per Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% (twenty-five percent) public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. If as a result of acquisition of Equity Shares pursuant to the BSA, SPA, Preferential Issue and/or the Open Offer, the public shareholding in the Target Company falls below the minimum public shareholding requirement as per SCRR, and the SEBI (LODR) Regulations, then the Sellers have agreed to take necessary steps to bring down the promoters and promoter group shareholding in the Target Company to the level specified, and within the time prescribed, under applicable law, in a manner acceptable to the Acquirer and the PACs.

3.3. OBJECT OF THE ACQUISITION / OFFER

- 3.3.1. This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with regulation 3(1) and 4 of the SEBI (SAST) Regulations.
- 3.3.2. The Acquirer and the PACs shall achieve substantial acquisition of Diluted Shares and Voting Capital, accompanied with effective management control over the Target Company after completion of the proposed Open Offer. The main object of this acquisition is to acquire substantial stake and management control of the Target Company in compliance with the SEBI (SAST) Regulations.
- 3.3.3. The Acquirer and the PACs intend to seek the change of the name and main objects of the Target Company subject to necessary approvals. The Acquirer and the PACs also intend to seek reconstitution of Board of Directors of the Target Company after successful completion of this Offer. However, no firm decision in this regard has been taken or proposed so far.
- 3.3.4. The Acquirer will discontinue the existing line of business of the Target Company if members' approval is obtained and/ or may diversify business activities in future subject to prior approval/consent of the shareholders and subject to approval of the requisite statutory authorities. 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 the Target Company and all applicable laws, rules and regulations, the Board of

Directors of the Target Company will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirer and the PACs cannot ascertain the repercussions, if any, on the employees and locations of the business place of Target Company.

- 3.3.5. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and PACs do not have any intention to alienate, restructure, dispose of or otherwise encumber any assets of Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company. Notwithstanding anything contained herein and except with the prior approval of the shareholders of Target Company through a special resolution, passed by way of postal ballot, the Acquirer undertake that it will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of Target Company other than in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company.

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4. BACKGROUND OF THE ACQUIRER AND THE PACs

4.1 Mr. Jaspalsingh Prehladsingh Chandock (“Acquirer”)

- 4.1.1 Mr. Jaspalsingh Prehladsingh Chandock S/o Mr. Prehladsingh Harisingh Chandock is a 56 year old Resident Indian resides at Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald’s, Khar West, Mumbai 400052, Maharashtra, India. Tel. No. +91-22-26000095; Email: jaspal.singh@baluindustries.com.
- 4.1.2 Acquirer has not changed / altered his name at any point of time during his life.
- 4.1.3 Acquirer carries a valid passport of Republic of India and also holds a Permanent Account Number (“PAN”) in India. Acquirer has done Bachelor of Arts and has been associated in the fields of Manufacturing and Hospitality for more than 34 years. Acquirer does not belong to any group.
- 4.1.4 Acquirer holds directorship in the following companies and neither companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are Insolvent applicant under Insolvency and Bankruptcy Code, 2016:
- a) Balu Hospitality Limited (U51900MH1994PLC076118)
 - b) Goldiam Jewels Limited (U36910MH2004PLC148637)
 - c) New Global Forge Private Limited (Formerly known as Balu Forge Private Limited) (U74999MH2018PTC312847)
- 4.1.5 Acquirer does not hold any Equity Shares of the Target Company as on date of this DLOF. However, Acquirer is going to acquire 4,78,40,000 Equity Shares and 66,00,000 Convertible Warrants in the Preferential Issue of the Target Company.
- 4.1.6 C.A. Shripad V. Karoshi (Membership No. 223393), Proprietor of Shripad V Karoshi and Co. (Firm Registration No. 0188045), having their office located at #3486, “Savitri”, 1st Floor, Samadevi Galli, Belagavi-590001, Karnataka, India, Tel. No. 0831-4264422; Email: shripadkaroshi.ca@gmail.com, has certified vide certificate dated July 20, 2020 that the net worth of Acquirer as on July 18, 2020 is ₹246.54 Crore (Rupees Two Hundred Forty Six Crore and Fifty Four Lakh only).
- 4.1.7 Except the Transaction contemplated in Business Succession Agreement (“BSA”) (detailed in para 3.1.6 on page 12 of this DLOF), subscription of convertible warrants and control of the target company that has triggered the Open Offer, Acquirer does not have any other relationship/interest in the Target Company.
- 4.1.8 Acquirer has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

4.2 Mr. Trimaan Jaspalsingh Chandock (“PAC 1”)

- 4.2.1 Mr. Trimaan Jaspalsingh Chandock S/o Mr. Jaspalsingh Prehladsingh Chandock is a 29 year old Resident Indian resides at Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald’s, Khar West, Mumbai 400052, Maharashtra, India. Tel. No. +91-22-26000095; Email: trimaan@baluindustries.com.
- 4.2.2 PAC 1 has not changed / altered his name at any point of time during his life.
- 4.2.3 PAC 1 carries a valid passport of Republic of India and also holds a PAN in India. PAC 1 has done Master’s degree in Commerce and has been associated in the fields of Manufacturing & hospitality for more than 14 years. PAC 1 does not belong to any group.
- 4.2.4 PAC 1 holds directorship in the following companies and neither companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are Insolvent applicant under Insolvency and Bankruptcy Code, 2016:
- a) Balu Hospitality Limited (U51900MH1994PLC076118)
 - b) Goldiam Jewels Limited (U36910MH2004PLC148637)
 - c) New Global Forge Private Limited (Formerly known as Balu Forge Private Limited) (U74999MH2018PTC312847)

d) Naya Energy Power Technology Private Limited (U74999MH2018PTC316641)

- 4.2.5 PAC 1 does not hold any Equity Shares of the Target Company as on date of this DLOF. However, PAC 1 is going to acquire 75,900 Equity Shares pursuant to SPA.
- 4.2.6 Except the Transaction contemplated in Share Purchase Agreement (“SPA”) (detailed in in para 3.1.7 on page 13 of this DLOF) that has also triggered the Open Offer, PAC 1 does not have any other relationship/interest in the Target Company.
- 4.2.7 PAC 1 has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

4.3 Mr. Jaikaran Jaspalsingh Chandock (PAC 2)

- 4.3.1 Mr. Jaikaran Jaspalsingh Chandock S/o Mr. Jaspalsingh Prehladsingh Chandock is a 28 year old Resident Indian resides at Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald’s, Khar West, Mumbai 400052, Maharashtra, India. Tel. No. +91-22-26000095; Email: jaikaran@baluindustries.com.<mailto:dinesh@dravilal.com>
- 4.3.2 PAC 2 has not changed / altered his name at any point of time during his life.
- 4.3.3 PAC 2 carries a valid passport of Republic of India and also holds a PAN in India. PAC 2 holds a degree in Masters of Science in Strategic Marketing and has been associated in the field of Manufacturing & hospitality for the past 7 years. PAC 2 does not belong to any group.
- 4.3.4 PAC 2 holds directorship in the following companies and neither companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are Insolvent applicant under Insolvency and Bankruptcy Code, 2016:
- a) Balu Hospitality Limited (U51900MH1994PLC076118)
 - b) New Global Forge Private Limited (Formerly known as Balu Forge Private Limited) (U74999MH2018PTC312847)
 - c) Naya Energy Power Technology Private Limited (U74999MH2018PTC316641)
- 4.3.5 PAC 2 does not hold any Equity Shares of the Target Company as on date of this DLOF. However, PAC 2 is going to acquire 10,150 Equity Shares pursuant to SPA.
- 4.3.6 Except the Transaction contemplated in SPA (detailed in in para 3.1.7 on page 13 of this DLOF) that has also triggered the Open Offer, PAC 2 does not have any other relationship/interest in the Target Company.
- 4.3.7 PAC 2 has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

4.4 Undertakings / Confirmation by the Acquirer and the PACs

- 4.3.1 Neither the Acquirer nor PACs nor any of the entities with which they are associated, are in securities related business and registered with SEBI as a ‘Market Intermediary’.
- 4.3.2 Based on the information available, the Acquirer and PACs have not been declared as a fugitive economic offender under section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) as per Regulation 2(1) (ja) of SEBI (SAST) Regulations.
- 4.3.3 The Acquirer and PACs undertake that if they acquire any Equity Shares of the Target Company during the Offer Period, they will inform to the Stock Exchange and the Target Company within 24 hours of such acquisitions and 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 (“TP”) and until the closure of the TP in accordance with Regulation 18(6) of SEBI (SAST) Regulations.

4.3.4 All Open Offer Shares that are validly tendered and accepted in the Offer shall be solely subscribed by the Acquirer.

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5. BACKGROUND OF THE TARGET COMPANY - AMAZE ENTERTECH LIMITED

- 5.1 The Target Company was originally incorporated as “Bell Agro Machina Private Limited” as a Private Limited company under the Companies Act, 1956 vide Certificate of Incorporation date March 17, 1989 issued by Registrar of Companies, Karnataka, Bangalore. Subsequently, name of the Company was changed to “Bell Agro Machina Limited” vide fresh certificate of incorporation dated May 18, 1994 issued by Registrar of Companies, Karnataka, Bangalore. Later, name of the Company was changed to “Amaze Entertech Limited” vide fresh certificate of incorporation dated February 12, 2017 issued by Registrar of Companies, Mumbai, Maharashtra. The CIN of the Target Company is L72100MH1989PLC255933.
- 5.2 The Registered Office of the Target Company has been shifted from the state of Karnataka to the state of Maharashtra with effect from March 25, 2014 vide order dated February 26, 2014 and Company Petition Number:- 24/RD(SER)/SEC-17/CP(99)/KAR/2013/9576. Presently, the Registered Office of the Target Company is situated at 156, 1st Floor, Raghuleela Mega Mall, Poisar Gymkhana Road, Kandivali (West) Mumbai – 400067, Maharashtra, India. Tel. No. +91-8655075578; Email: amazeentertech@gmail.com, Web: www.amazeentertechlimited.com.
- 5.3 The Target Company mainly involved in the business of buying, selling or dealing in online applications, software for entertainment for all age groups and to carry on the business of Information Technology (IT) Software Development, IT Projects, Data Base Administration in India and abroad and to carry on all types of entertainments including business of providing, editing, mixing and as also the equipments and software related thereto for the business of production house and such other incidental/auxiliary activities as may be necessary in connection with making of TV serials, web films, telefilms, movies and organizing & management of events, online promotion of events, marketing and sales by using latest technologies and such other ancillary and incidental work to attainment of the above objects or such other businesses.
- 5.4 The Equity Shares (ISIN: INE011E01029) of the Target Company is presently listed and traded on the BSE Limited, Mumbai (“BSE”). (Scrip Code as 531112 and Symbol as AMAZEENT).
- 5.5 The Target Company’s Equity Shares were suspended from trading by BSE due to non-compliance with the Listing Agreement or Listing Regulations. However, BSE vide its notice no. 20130712-14 dated July 12, 2013 had revoked the suspension in trading of Equity Shares of Target Company w.e.f. July 18, 2013.
- 5.6 The total Issued, Subscribed and Paid-up Equity Share Capital of the Target Company is Rs. 35,00,000 (Rupees Thirty Five Lakhs Only) comprising of 3,50,000 Equity Shares of Rs. 10/- each fully paid up. There are no partly paid-up shares in the Target Company.
- 5.7 The Existing Share Capital structure of the Target Company as on the date of this DLOF, is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares/voting rights	% of Equity Shares/ voting rights
Fully paid-up Equity Shares	3,50,000	100%
Partly paid-up Equity Shares	--	--
Total paid-up Equity Shares	3,50,000	100%
Total voting rights in Target Company	3,50,000	100%

- 5.8 As of the date of this Draft Letter of Offer, no outstanding convertible instruments (such as depository receipts, fully convertible debentures or warrants) issued by the Target Company which are convertible into Equity Shares of the Target Company, apart from the proposed issue by the Target Company in the preferential allotment and that shall be converted into Equity Shares on later date.
- 5.9 The Equity Shares of the Target Company are infrequently traded within meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.10 The entire issued, subscribed and paid up share capital of the Target Company is listed on the Stock Exchange. There are no outstanding shares of the Target Company that have been issued but not listed on the Stock Exchange. The trading of the Equity Shares of the Target Company is currently not suspended on Stock Exchange. The Equity Shares of the Target Company have not been delisted from any stock exchange in India.

5.11 As on the date of this Draft Letter of Offer, the following are on the board of the Target Company:

Sr. No.	Name	DIN	Address	Designation	Date of appointment
1)	Yatin Hasmukhbhai Mehta	07431944	C/2, 20, 4th Floor, Om Shree Geetanjali Nagar Chs, Saibaba Nagar, Near Saibaba Temple, Borivali West Mumbai - 400092, Maharashtra, India	Managing Director	February 12, 2016
2)	Deepak Ratilal Mehta	00046696	A-503, Vrajdharm Ram Baug Lane Near Sunder Dham Poiser Borivali (West) Mumbai - 400092, Maharashtra, India	Director	February 14, 2017
3)	Mitesh Hasmukhlal Dani	03327315	B/63, Pushpa Park, 56, S.V. Road, Near Kora Kendra, Borivali W, Mumbai - 400092, Maharashtra, India	Director and Chief Financial Officer	May 28, 2018
4)	Ashvin Rajabhai Thumar	05142024	510, 5th Floor, Sneha Shivalaya Chs Ltd., CS Road, Opp Matruchaya School, Anand Nagar, Dahisar Mumbai - 400068, Maharashtra, India	Director	October 18, 2012
5)	Sejal Soni Bharat	07751759	Plot no. 401, Abhishek Chs, Room No.7 Sector - 4, Behind Charkop Depot, Charkop, Kandivali West Mumbai 400067, Maharashtra, India	Director	February 14, 2017

Note: None of the directors mentioned in the table above are representatives of the Acquirer and the PACs. Neither of them is related to the Acquirer and the PACs in any manner whatsoever.

5.12 There has been no merger, demerger, amalgamation or spin-off during the last 3 years involving the Target Company.

5.13 As on the date of this Draft Letter of Offer, the Target Company does not have any Subsidiary or Holding Company.

5.14 The Target Company has no Equity Shares that are locked-in as of the date of this Draft Letter of Offer.

5.15 The Target Company including its directors has not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act. The Target Company is not an Insolvent applicant under Insolvency and Bankruptcy Code, 2016. .

5.16 The Target Company including its directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

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5.17 The key financial information of the Target Company based on its audited financial statements for the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018, is as set out below:

(₹ in Lakh except EPS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	Audited	Audited	Audited
Profit & Loss Statement			
Income from Operations	20.36	18.25	19.97
Other Income	0.77	0.07	0.00
Total Income	21.13	18.32	19.97
Total Expenditure (Refer Note 1)	14.13	13.05	10.90
PBDIT	6.99	5.27	9.08
Depreciation	0.00	0.07	0.43
Interest	0.00	0.00	0.00
Exceptional Items	0.00	0.00	0.00
Profit/(Loss) Before Tax	6.99	5.20	8.65
Provision for Tax	-1.09	1.00	1.65
Deferred Tax	-1.85	-14.79	0.19
MAT credit	0.00	0.00	0.00
Tax of earlier years	0.00	0.00	0.00
Profit/(Loss) After Tax	4.05	18.99	6.81
Other Comprehensive Income	0.00	0.00	0.00
Total Comprehensive Income	4.05	18.99	6.81
Balance Sheet Statement			
Sources of Funds			
Paid up Share Capital	35.00	35.00	35.00
Reserves and Surplus	-0.24	-4.55	-23.51
Net worth	34.76	30.45	11.49
Secured Loans	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	5.00
Deferred Tax Liabilities	0.00	0.00	0.44
Total	34.76	30.45	16.93
Sources of Funds			
Net Fixed Assets	0.00	0.00	2.58
Investments	0.00	0.00	0.00
Current Assets Loan and Advances	10.74	0.00	0.00
Deferred tax assets	12.49	14.34	0.00
Current Liabilities	-6.66	-2.60	-3.00
Net Current Assets	18.19	18.72	17.35
Total	34.76	30.45	16.93
Other Financial Data			
Dividend (%)	0.00	0.00	0.00
Earnings Per Share in (in ₹) (Basic & Diluted)	1.16	5.42	1.95
Return on Net worth (%)	0.12	0.62	0.59
Book Value Per Share (in ₹)	9.93	8.70	3.28

Notes:

1. Exclusive of Depreciation and Interest

5.18 Mr. Aakash Joshi has been appointed as the Company Secretary and Compliance officer of the Company w.e.f. June 22, 2020 and he can be reached at the Company's contact details and Email-Id mentioned below:

Tel. No. +91-86550 75578

Email: amazeentertech@gmail.com

5.19 As on date, there are no complaints pending against the Target Company. A copy of details available w.r.t. the company at SCORES is attached herewith for your records.

5.20 Pre and Post Offer Shareholding Pattern of the Target Company as on August 07, 2020 is and shall be as follows:

Shareholders' Category	Equity Shares/voting rights prior to the agreement/acquisition and offer		Equity Shares/voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations, 2011 (Assuming full acceptances)		Equity Shares/voting rights to be acquired in this Offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition and this Offer (Assuming full acceptances)	
	A		B		C		A+B+C=D	
	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital
(1) Promoter and Promoter Group								
a) Parties to agreement, if any	86,050	24.59%	-86,050	-0.11%	0	0.00%	0	0.00%
b) Promoter other than (a) above	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total 1 (a+b)	86,050	24.59%	-86,050	-0.11%	0	0.00%	0	0.00%
(2) Acquirer and PACs								
a) Acquirer	0	0.00%	5,44,40,000 *	69.89%	2,02,51,400	26.00%	7,46,91,400	95.89%
b) PAC 1	0	0.00%	75,900	0.10%	0	0.00%	75,900	0.10%
c) PAC 2	0	0.00%	10,150	0.01%	0	0.00%	10,150	0.01%
Total 2 (a+b)	0	0.00%	5,45,26,050	70.00%	2,02,51,400	26.00%	7,47,77,450	96.00%
(3) Parties to agreement other than 1 (a) & (b)	0	0.00%	0	0.00%	0	0.00%	0	0.00%
(4) Public (other than parties to the agreement)								
a) Institutions	0	0.00%	2,31,00,000 **	29.66%	-2,02,51,400	-26.00%	31,12,550	4.00%
b) Central/State Govt.	0	0.00%						
c) Non-Institutions	2,63,950	75.41%						
Total (4) (a+b+c)	2,63,950	75.41%	2,31,00,000	29.66%	-2,02,51,400	-26.00%	31,12,550	4.00%
Grand Total (1+2+3+4)	3,50,000	100.00%	7,75,40,000	99.55%	0	0.00%	7,78,90,000	100.00%

*includes 66,00,000 Warrants proposed to be issued to the Acquirer

**26,00,000 Warrants to the Public.

5.21 The Acquirer and PACs has not acquired any Equity Shares of the Target Company after the date of PA, i.e. August 03, 2020 and up to the date of this DLOF.

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6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE UNDER DIRECT ACQUISITION

6.1.1 The Offer is a mandatory offer made in accordance with Regulation 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations. The Offer is made for the acquisition of up to 26% of the Diluted Shares and Voting rights pursuant to the Preferential Issue accompanied with a change in control of the Target Company.

6.1.2 The Equity Shares of the Target Company are currently listed and traded on the BSE Ltd, Mumbai (“BSE”).

6.1.3 The annualized trading turnover of the Equity Shares traded during the twelve calendar months preceding August 2020, the month in which PA was made, is as given below:

Name of the Stock Exchange	Total number of Equity Shares traded during twelve calendar months preceding to August 2020	Total Number of Listed Equity Shares on Stock Exchange	Trading Turnover (in terms of % to Total Listed Equity Shares)
BSE	7,856	3,50,000	2.24

Source: www.bseindia.com

6.1.4 Based on above, the equity shares of the Target Company are infrequently traded on BSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

6.1.5 The Offer Price of ₹10/- (Rupees Ten only) per Equity Share is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations as it is higher of the following:

Sr. No.	Particulars	Price Per Equity Share
(a)	Highest Negotiated Price per equity share for any acquisition under the Agreements attracting the obligation to make the PA	₹10.00
(b)	The volume-weighted average price paid or payable for acquisition during the 52 week immediately preceding the date of the PA	Not Applicable
(c)	The highest price paid or payable for any acquisition during 26 weeks period immediately preceding the date of PA	Not Applicable
(d)	The volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE	Not Applicable
(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	₹10.00*

*An extract of the report by CA Payal Gada (Membership No. 110424) proprietor M/s Suresh Shah & Co. (Firm Regn. No. 108902W) having office at S-15, Sej Plaza, Marve Road, Malad (W), Mumbai 400 064, Maharashtra dated August 03, 2020 is reproduced below :

Valuation Methods	Value in Rs./ Equity Share	Weight	Total
Asset Approach: Net Worth Method	9.93	98.00%	9.73
Market Approach: Market Value Method	0	0.00%	0.00
Income Approach: Comparable Companies' Multiple Method	8.40	2.00%	0.17
Total		100%	9.90
Fair Market Value per Equity Share (in Rs.) (Rounded Off)			10.00

- 6.1.6 The Offer Price of Rs. 10/- (Rupees Ten Only) per equity share is justified in terms of Regulations 8(2) of SEBI (SAST) Regulations. The Offer Price is denominated and payable in Indian Rupees only.
- 6.1.7 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. Further, there is no differential pricing for the Offer.
- 6.1.8 In case the Acquirer and the PACs acquire Equity Shares of the Target Company during the period of twenty-six weeks after the closure of TP 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 SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.
- 6.1.9 As on date of this DLOF, there is no revision in the Offer Price or Offer Size. An Upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases or competing offers, such revision will be done only up to the period prior to commencement of last Working Day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) and Regulation 18(5) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs shall:
- i. make corresponding increase to the escrow amount;
 - ii. make a public announcement in the same newspapers in which DPS has been published; and
 - iii. Simultaneously with the issue of such public announcement, inform the SEBI, the BSE and the Target Company at its registered office/corporate office of such revision.
- The revised Offer Price would be paid to all the Eligible Equity Shareholders whose Equity Shares are accepted under the Offer.
- 6.1.10 If the Acquirer and the PACs acquire or agree to acquire any Equity Shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations. However, no such acquisition shall be made by the Acquirer and the PACs after 3 Working Days prior to the commencement of the Tendering Period of this Offer and until the expiry of the tendering period of this Offer.

6.2 FINANCIAL ARRANGEMENTS

- 6.2.1 Assuming full acceptance of this Offer, the total fund requirement for the Offer is ₹ 20,25,14,000 (Rupees Twenty Crore Twenty-Five Lakh Fourteen Thousand only) ("**Offer Consideration**").
- 6.2.2 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer, the Manager to the Offer and the Union Bank of India (the "Escrow Agent") have entered into an escrow agreement dated August 03, 2020 (the "**Escrow Agreement**"). Pursuant to the Offer Escrow Agreement, the Acquirer has established an escrow account under the name and title of "**Amaze Entertech Limited-Open Offer-Cash Escrow Account**" bearing account number 318801010338084 with the Escrow Agent at its branch located at Tejura Chambers, 365/367, V.P. Road, Opera House, Mumbai – 400 004.
- 6.2.3 The Acquirer has deposited a sum of ₹5,10,00,000 (Rupees Five Crore and Ten Lakh only) to the Cash Escrow Account on August 05, 2020 in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations being more than 25% of the Offer Consideration payable under this Offer.
- 6.2.4 A lien has been marked on the said Cash Escrow Account in favour of the Manager to the Offer by the Escrow Bank. The Manager to the Offer has been solely authorised by the Acquirers to operate and realise the value of Cash Escrow Account in terms of the Regulation 17(5) of the SEBI (SAST) Regulations.

- 6.2.5 The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their networth. C.A. Shripad V. Karoshi (Membership No. 223393), Proprietor of Shripad V Karoshi and Co. (Firm Registration No. 0188045), having their office located at #3486, "Savitri", 1st Floor, Samadevi Galli, Belagavi-590001, Karnataka, India, Tel. No. 0831-4264422; Email: shripadkaroshi.ca@gmail.com, has certified vide certificate dated July 20, 2020 that the net worth of Acquirer as on July 18, 2020 is ₹246.54 crore (Rupees Two Hundred and Forty Six Crore and Fifty Four Lakh only) that the Acquirer has sufficient liquid networth to meet the total financial obligations under the Offer vide certificate dated August 01, 2020 .
- 6.2.6 In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.
- 6.2.7 Based on the aforesaid financial arrangements made by the Acquirer and on the confirmations received from the M/s. Shripad V Karoshi and Co., the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill its obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

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7. TERMS AND CONDITIONS OF THE OFFER

7.1. OPERATIONAL TERMS AND CONDITIONS

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders of the Target Company. Acquirer alongwith the PACs will acquire all the Equity Shares of the Target Company that are validly tendered and accepted in terms of this Offer upto 2,02,51,400 (Two Crore Two Lakh Fifty-One Thousand and Four Hundred) Equity Shares of ₹10/- each representing 26% of the Diluted Share and Voting Capital of the Target Company. Thus, the Acquirer will proceed with the Offer even if they are unable to obtain acceptance to the full extent of the Equity Shares of the Target Company for which this Offer is made.
- 7.1.2 The Acquirer and the PACs refrain themselves to send the LOF to non-resident shareholders in accordance with Regulation 18(2) of the SEBI (SAST) Regulations since the local laws or regulations of any jurisdiction outside India may expose them or the Target Company to material risk of civil, regulatory or criminal liabilities in case the LOF is sent in its original form. However, non-resident can participate in the Offer even if LOF is not sent to them.
- 7.1.3 The Offer is subject to the terms and conditions set out in this DLOF, the PA, the DPS and any other public announcements that may be issued with respect to the Offer.
- 7.1.4 The DLOF along with FOA would also be available at SEBI's website, www.sebi.gov.in and equity shareholders can also apply by downloading such forms from the website.
- 7.1.5 Accidental omission to dispatch this DLOF or any further communication to any person to whom this Offer is made or the non-receipt of this DLOF by any such person shall not invalidate the Offer in any way. The instructions, authorisations and provisions contained in the FOA constitute an integral part of the terms of this Offer.
- 7.1.6 The acceptance of the Offer must be unconditional and should be sent in the enclosed FOA along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centres mentioned in Para 8 under "Procedure for Acceptance and Settlement" on or before the Closure of the TP.
- 7.1.7 The Acquirer and the PACs shall not be responsible in any manner for any loss of share certificate(s) and Offer acceptance documents during transit. The Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 7.1.8 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance.
- 7.1.9 Kindly note that the Registrar and Transfer Agent ("**RTA**") of the Target Company is Skyline Financial Services Pvt. Ltd. and the Acquirer has appointed them as "Registrar to the Offer" also. No documents should be sent to the Acquirer, the PACs, the Target Company and the Manager to the Offer.

7.2 LOCKED IN SHARES

Save and except, the Equity Shares allotted under the Preferential Issue and the prior shareholding, if any, of the allottees, which will be subject to the lock-in provisions in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018, there are no Equity Shares of the Target Company that are "locked-in" as on the date of this DLOF.

The Manager to the Offer ensures that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

All the Public Shareholders of the Target Company (except the Sellers, the Acquirer and the PACs), whether holding the Equity Shares in physical form or dematerialized form are eligible to participate in this Offer at any time during the tendering period for this Offer.

7.4 STATUTORY APPROVALS

- 7.4.1 As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer to complete this Offer. However, the approvals from members, the Stock Exchange and the ROC are due for proposed Preferential Issue and subsequent listing of Equity Shares of the Target Company alongwith increase in Authorised Share capital, change in name and change in objects of the Target Company.
- 7.4.2 All Public Shareholders of the Target Company who are either Non-Resident Indian (the “NRIs”) and Overseas Corporate Bodies (the “OCBs”) are subject to approval/exemption, if applicable, from the Reserve Bank of India (“RBI”). NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIIs) had required any approvals (including from the RBI) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer.
- 7.4.3 In case of delay in receipt or non-receipt of any statutory approvals which may be required by the Acquirer at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer, to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer subject to the Acquirer agreeing to pay interest to the Eligible Equity Shareholders for the delay. However, where the statutory approvals extend to some but not all holders of the Equity Shares of the Target Company, the Acquirer have the option to make payment to such holders of the Equity Shares of the Target Company in respect of whom no statutory approvals are required in order to complete this Open Offer.
- 7.4.4 If any of the statutory approvals, are not met for reasons outside the reasonable control of the Acquirers, or in the event the statutory approvals are refused, the Acquirer and the PACs, 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, BSE and the Target Company at its Registered Office.
- 7.4.5 In the event of withdrawal of this Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspapers in which the DPS was published/released and such public announcement will also be sent to the BSE, the SEBI and the Target Company at its registered office/corporate office.

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8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The Offer is made to the Public Shareholders as defined in this DLOF. All Equity Shareholders 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.
- 8.2. 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 Draft Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in Public Announcement, the DPS and the Draft Letter of Offer. 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 Draft Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in/>) or the Registrar to the Offer
- 8.3. The Offer will be implemented through Stock Exchange Mechanism made available by BSE in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations, SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI, as amended from time to time, and notices / guidelines issued by BSE and the Clearing Corporation in relation to the mechanism / process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time.
- 8.4. BSE shall be the designated stock exchange (Designated Stock Exchange) for the purpose of tendering shares in the Offer.
- 8.5. All the Equity Shareholders who desire to tender their Equity Shares under the Offer should consult with their respective depository participants and their respective stock brokers ("**Selling Broker**") well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Designated Stock Exchange.
- 8.6. The Acquisition Window will be provided by the Designated Stock Exchange to facilitate placing of sell orders. The Equity Shareholders can enter orders for demat Equity Shares. Please note that no physical shares will be accepted under this Open Offer
- 8.7. The Acquirer has appointed Systematix Shares and Stocks (India) Limited ("**Buying Broker**") for the Offer through whom the purchases and settlement of Equity Shares tendered in this Offer shall be made.

Contact details for the Buying Broker are as follows:-

Name: Systematix Shares and Stocks (India) Limited

Address: A Wing, No. 603-606, 6th Floor, The Capital, Plot C 70, G Block,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India,

Tel. No. +91-22-6704 8000;

Fax No. +91-22-6704 8029;

Email: compliance@systematixgroup.in;

Contact Person: Mr. Rajkumar Gupta.

- 8.8. During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.
- 8.9. Shareholders or Seller whose brokers are not registered with BSE are able to tender their Equity Shares through the buyer's broker or the Buying Broker subject to fulfillment of the account opening and KYC of the Buying Broker.
- 8.10. The cumulative quantity tendered shall be displayed on the Designated Stock Exchange website throughout the trading session at specific intervals by the Designated Stock Exchange during Tendering Period.

8.10. Procedure for tendering Equity Shares held in dematerialised form:

- a. The Eligible Equity Shareholders who are holding Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares they intend to tender in this Offer.
- b. The Eligible Equity Shareholders intending to tender Equity Shares are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Ltd. ("Clearing Corporation"). Such Eligible Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf 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 6:00 PM on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d. Eligible Equity Shareholders shall submit Delivery Instruction Slips (DIS) duly filled in specifying market type as "Open Offer" and execution date along with all other details to their respective depository participant / Selling Broker so that Equity Shares can be tendered in this Offer.
- e. Upon placing the bid, the Selling Broker(s) shall provide transaction registration slip generated by the Designated Stock Exchange bidding system (TRS) to the Eligible Equity Shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered etc.
- f. The Eligible Equity Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.
- g. The Eligible Equity Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The Eligible Equity Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.11. Procedure for tendering Equity Shares held in Physical form:

In accordance with the Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting" dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations.

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 Broker and submit complete set of documents for verification procedure as mentioned below:-

- a. Form of Acceptance cum Acknowledgment 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.
- b. Original share certificate(s).
- c. 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.

- d. Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
- e. Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature).
- f. Self-attested copy of address proof such as valid Aadhar Card, Voter I.D., Passport.
- g. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the 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.
- h. After placement of order, as mentioned above in Point (g), the Selling Broker(s)/ Equity Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as “PFL Open Offer”. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- i. Equity 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 Offer shall be subject to verification by the RTA. On receipt of the confirmation from the RTA the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- j. In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before Offer Closing Date.
- k. Equity Shareholders holding Equity Shares in physical mode will be required to fill the respective Forms of Acceptance cum Acknowledgment. Equity Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptance cum Acknowledgment along with the Draft Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance cum Acknowledgment.

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

8.13. Procedure for tendering the shares in case of non-receipt of Draft Letter of Offer

- a. Equity Shareholders 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.
- b. An Equity Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Draft Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment. The Letter of Offer along with a Form of Acceptance-cum-Acknowledgment will be

dispatched to all the Equity Shareholders of the Target Company, whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date to the Offer.

- c. In case of non-receipt of the Letter of Offer, such Equity 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 cum Acknowledgment (FOA) would also be available at SEBI's website, www.sebi.gov.in, and Equity Shareholders can also apply by downloading such forms from the said website.

8.14. 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 of accepted Equity Shares tendered in this Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- b. The settlement of trades will be carried out in the manner similar to settlement of trades in the Acquisition Window Circulars.
- c. For Equity Shares accepted under the Offer, the Equity Shareholders will receive funds payout directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Equity Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- d. The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
- e. The Public 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 non-acceptance of the Equity Shares tendered under the Offer.
- f. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- g. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned back to the Equity Shareholder(s) directly by Registrar to the Offer
- h. The direct credit of Equity Shares will be given to the demat account of Acquirer as indicated by the Buying Broker.
- i. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.
- j. In case of partial or non-acceptance of orders the balance demat Equity Shares will be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares will be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

- k. 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 Public 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.
- l. If Public Shareholders' bank account details are not available or if the fund transfer instruction is rejected by the RBI or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.
- m. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- n. 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 Public Shareholders 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.

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9. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS AND THE DOUBLE TAXATION AVOIDANCE AGREEMENTS (“DTAA”) WITH RESPECTIVE COUNTRIES. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER, PACs AND MANAGER TO OFFER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS SUMMARY. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS SUMMARY OF INCOME TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA AS SET OUT ABOVE AND THE SAME SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

- 9.1 The basis of charge of Indian income-tax depends upon the residential status of the person subject to tax (“Taxpayer”) during a Financial Year and the taxpayer has to pay their taxes in the following year (Assessment Year). The Financial Year for Indian Residents starts from April 01 and ends on March 31. A person who is a resident in terms of Indian Income Tax Act, 1961, (“IT Act”) he is liable to pay income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act itself. A person who is treated as a non-resident for the purpose of Indian income-tax purposes is generally subject to tax in India only on such person’s India sourced income (i.e. income which accrues or arises or deemed to be accrued or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the “Situs” of such shares. “Situs” of the shares is generally where a company is “incorporated”.
- 9.2 Accordingly, since the Target Company is incorporated in India, the Target Company’s shares should be deemed to be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under IT Act.
- 9.3 A Taxpayer who is non-resident for tax purpose under Indian IT Act can avail benefits of the Double Taxation Avoidance Agreement (“DTAA”), between India and the respective country of which the Taxpayer is a resident for tax purpose subject to satisfying relevant conditions including:
- a. those set out in limitation of benefits provisions present in the said DTAA (if any),
 - b. the non-applicability of General Anti-Avoidance Rules, and
 - c. providing and maintaining necessary information and documents as prescribed under the Income-tax Act.
- 9.4 The summary of income-tax implications on tendering of listed equity shares on the recognized stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

- 9.5 As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge and health and education cess are also leviable. The applicable rate of surcharge is dependent on the category of the shareholder and for individual shareholders, income slab rates is applicable. The health and education cess is levied at the rate of 4% of the income tax and surcharge.
- 9.6 Gains arising from the transfer of equity shares may be treated either as “Capital Gains” or as “Business Income” for income-tax purposes, depending upon whether such equity shares were held as a capital asset or business asset (i.e. stock-in-trade).
- 9.7 The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- 9.8 Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the financial year. The summary of income tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below.
- Taxability of Capital Gain in the hands of the Public Shareholders:
- i. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to Securities Transaction Tax (“STT”) upon both buy and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the Capital Gains tax would be computed on gains exceeding Rs. 1,00,000 (Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any Capital Gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on 35 transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
 - ii. As per section 111A of the IT Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
 - iii. Any applicable surcharge and education cess would be in addition to above applicable tax rates.
 - iv. In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer.
 - v. In case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealers/ tax advisors appropriately.

THE TAX IMPLICATIONS ARE BASED ON PROVISIONS OF THE IT ACT AS APPLICABLE AS ON DATE OF THIS DRAFT LETTER OF OFFER. IN CASE OF ANY AMENDMENT MADE EFFECTIVE PRIOR TO THE DATE OF CLOSURE OF THIS OFFER, THEN THE PROVISIONS OF THE IT ACT AS AMENDED WOULD APPLY. NOTWITHSTANDING THE DETAILS GIVEN ABOVE, ALL PAYMENTS WILL BE MADE TO THE PUBLIC SHAREHOLDERS SUBJECT TO COMPLIANCE WITH PREVAILING TAX LAWS. THE FINAL TAX LIABILITY OF THE PUBLIC SHAREHOLDER SHALL REMAIN OF SUCH PUBLIC SHAREHOLDER AND THE SAID PUBLIC SHAREHOLDER WILL APPROPRIATELY DISCLOSE THE AMOUNTS RECEIVED BY IT, PURSUANT TO THIS OFFER, BEFORE THE INDIAN INCOME TAX AUTHORITIES.

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10. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by the Public Shareholders of the Target Company at the Corporate Office of the Manager to the Offer situated at The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra Kurla Complex (BKC), Bandra (East), Mumbai 400 051, Maharashtra, India during the TP from Monday to Friday except SEBI Holidays between 10.00 a.m. to 5.00 p.m.

- 10.1 Certificate of Incorporation, MOA & AOA of the Target Company.
- 10.2 Copy of certificate from C.A. Shripad V. Karoshi (Membership No. 223393), Proprietor of Shripad V Karoshi and Co. (Firm Registration No. 0188045), having their office located at #3486, "Savitri", 1st Floor, Samadevi Galli, Belagavi-590001, Karnataka, India, Tel. No. 0831-4264422; dated August 01, 2020 certifying that the Acquirer has adequate and firm financial resources through verifiable means available for fulfilling the obligations under this Offer.
- 10.3 Copies of annual reports of the Target Company for the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018.
- 10.4 Copy of the Business Succession Agreement dated August 03, 2020 between the Acquirer and the Target Company for succession of business of Balu India by the Target Company.
- 10.5 Copy of Valuation reports on determination of fair equity valuation of Target Company as per provisions of SEBI (ICDR) Regulations and SEBI (SAST) Regulations.
- 10.6 Copy of the Share Purchase Agreement dated August 03, 2020 amongst the PACs and the Sellers.
- 10.7 Copy of the Cash Escrow Agreement dated August 03, 2020 between the Acquirer, Manager to the Offer and the Escrow Agent.
- 10.8 Copy of the DP Escrow Agreement dated August 03, 2020 amongst the Acquirer, Registrar to the Offer, the Depository Participant and Manager to the Offer.
- 10.9 Certificate from Escrow Agent confirming that Rs. 510.00 Lakh amount kept in Escrow Account opened as per the SEBI (SAST) Regulations and a lien is marked in favour of Manager to the Offer.
- 10.10 Memorandum of Understanding between the Acquirer and the Manager to the Offer dated August 05, 2020.
- 10.11 Memorandum of Understanding between the Acquirer and the Registrar to the Offer dated August 05, 2020.
- 10.12 A copy of the Public Announcement dated August 03, 2020;
- 10.13 Published copy of the DPS dated August 08, 2020, published by the Manager to the Offer on behalf of the Acquirer in the Newspapers on August 10, 2020;
- 10.14 A copy of Draft Letter of Offer dated [●] and the Letter of Offer dated [●];
- 10.15 Published copy of Offer opening advertisement dated [●], published in the Newspapers on [●].
- 10.16 Copy of the recommendation to be made by the committee of independent directors of Target Company, in relation to this Offer; and
- 10.17 Copy of the observations letter dated [●] from SEBI containing their comments on the Draft Letter of Offer.

11. DECLARATION BY THE ACQUIRER AND THE PACS

We have jointly and 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 and severally responsible for ensuring compliance with the SEBI (SAST) Regulations and the obligations as stated under the SEBI (SAST) 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 and severally declare and confirm that all the relevant provisions of Companies Act and all the provisions of SEBI (SAST) Regulations have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act and SEBI (SAST) Regulations.

Signed by the Acquirer and the PACs

Sd/-

Mr. Jaspalsingh Prehladsingh Chandock

Sd/-

Mr. Trimaan Jaspalsingh Chandock

Sd/-

Mr. Jaikaran Jaspalsingh Chandock

Date: August 14, 2020

Place: Mumbai.

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT (FOA)

(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

All terms and expressions used herein shall have the same meaning as described thereto in this DLOF.

Offer Opens / Tendering Period Starts on: [●] ([●])
Offer Closes / Tendering Period Ends on: [●] ([●])

FOR OFFICE USE ONLY

Acceptance Number	
Number of equity shares offered	
Number of equity shares accepted	
Purchase Consideration in Rupees (Rs.)	
Cheque No. / Pay Order No. / Demand Draft No.	

Shareholder(s) Details:

Name: _____

Full Address: _____

Dist: _____; State: _____; PinCode: _____

Tel. No. with STD Code: _____; Mobile No. _____

Fax No. with STD Code: _____; Email: _____

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

Unit: Amaze Entertech Limited – Open Offer

A/505, Dattani Plaza,

Andheri Kurla Road, Safeed Pool,

Andheri East, Mumbai -400 072

Maharashtra, India

Sub.: Open Offer for acquisition of 2,02,51,400 Equity Shares of “Amaze Entertech Limited” representing 26% of the Diluted Shares & Voting Capital at a price of Rs. 10/- per Equity Share by the Acquirer and the PACs under SEBI (SAST) Regulations, 2011.

Dear Sir/Madam,

I/We refer to the LOF dated [●] for acquiring the Equity Shares held by me/us in the Target Company.

I/We, the undersigned, have read the DLOF and understood its contents including the terms and conditions as mentioned therein.

For Equity Shares held in Physical Form:

I/We accept the Offer and enclose the original Equity Share certificate(s) and duly signed transfer deed(s) in respect of my/our Equity Shares as detailed below:

Sl. No.	Folio No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
			From	To	
Total Number of Equity Shares					

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We note and understand that the original equity share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers pay the purchase consideration as mentioned in the DLOF.

I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

Enclosures (please provide the following and V whichever is applicable):

- i. Original Equity Share certificates
- ii. Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- iii. Form of Acceptance – signed 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;
- iv. Photocopy of Transaction Registration Slip (TRS) Self attested copy of PAN card of all the transferor(s)
- v. Self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license
- vi. Any other relevant document (but not limited to) such as Power of Attorney (if any person apart from the Shareholder has signed the FOA), corporate authorization (including board resolution/ specimen signature), notarised copy of death certificate and succession certificate or probated will, if the original shareholder has deceased etc., as applicable. Shareholders of the Target Company holding physical shares should note that Physical Shares will not be accepted unless the complete set of documents are submitted.

For all Shareholders (holding equity shares in demat or physical form):

I / We confirm that the equity shares which are being tendered herewith by me / us under this Open Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I / we have obtained any necessary consents to sell the equity shares on the foregoing basis.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender equity shares for Open Offer and that I/we am/are legally entitled to tender the equity shares for Open Offer. I/We declare that regulatory approvals, if applicable, for holding the equity shares and/or for tendering the equity shares in this Offer have been enclosed herewith.

I/We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the certificates, documents and signatures, as applicable submitted along with this FOA. I/We undertake to return to the Acquirer any Open Offer consideration that may be wrongfully received by me/us.

I/We give my/our consent to file form FCTRS, if applicable, on my/our behalf. I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to effect the Open Offer in accordance with the SEBI (SAST) Regulations.

I / We am/are not debarred from dealing in equity shares.

I / We authorise the Acquirer to accept the equity shares so offered or such lesser number of equity shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Draft Letter of Offer and I / we further authorize the Acquirer to return to me / us in the demat account/ share certificate(s) in respect of which the Open Offer is not found valid / not accepted without specifying the reasons thereof. I/We further agree to receive a single share certificate for the unaccepted equity shares in physical form.

In case of demat shareholders, I / We note and understand that the equity shares would be kept in the pool account of my/our broker and the lien will be marked by Clearing Corporation until the Settlement Date whereby the Acquirer makes payment of purchase consideration as mentioned in the Draft Letter of Offer. In case of physical shareholders, I / We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration as mentioned in the Draft Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are returned to the shareholders, as the case may be.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of equity shares under the Income Tax Act, 1961.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

For NRIs/OCBs/ FIIs and sub-accounts/other non-resident Shareholders:

I/We confirm that my/our status is (✓ whichever is applicable):

Individual	Foreign Company	FIIs / FPIs-Corporate	FIIs / FPIs-Others	FVCI
Foreign Trust	Private Equity Fund	Pension / Provident Fund	Sovereign Wealth Fund	Partnership / Proprietorship Firm
Financial Institution	NRIs / PIOs-Repatriable	NRIs / PIOs- Non-Repatriable	OCBs	QFI
Others (Please Specify):				

I/We confirm that my/our investment status is (✓ whichever is applicable):

FDI Route / PIS Route / Any Other (Please Specify):

I/We confirm that the equity shares tendered by me/us are held on (✓ whichever is applicable):

Repatriable basis / Non-repatriable basis

I/We confirm that (✓ whichever is applicable):

No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the equity shares are held under general permission of the RBI

Copies of all approvals required by me for holding equity shares that have been tendered in this Offer are enclosed herewith Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that (✓ whichever is applicable):

No RBI, FIPB or other regulatory approval is required by me for tendering the equity shares in this Offer.

Copies of all approvals required by me for tendering equity shares in this Offer are enclosed herewith.

In case of shareholders holding equity shares in demat form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the Depositories.

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

Yours faithfully,

Signed & Delivered by	Full Name(s) of the Shareholder(s)	Signature(s)	PAN
Sole / First Shareholder			
Second Shareholder			
Third Shareholder			

Note: In case of joint holdings, all holders must sign. In case of body corporate, the rubber stamp should be affixed and necessary board resolution must be attached.

Place: _____

Date: _____

Form No. SH-4 Securities Transfer Form

[Pursuant to section 56 of the Companies act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of Execution (DD-MM-YYYY): _____

FOR THE CONSIDERATION stated below the "Transferor(s)" named do hereby transfer to the "Transferee(s)" named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do here by agree to accept and hold the said securities subject to the conditions aforesaid.

Name of the Company: AMAZE ENTERTECH LIMITED
CIN of the Company: L72100MH1989PLC255933
Name of the Stock Exchange where the Company is listed, if any: BSE Ltd

Description of Securities:			
Kind/Class of securities	Nominal value of each unit of security	Amount called up per unit of security	Amount paid up per unit of security
Equity Shares	Rs. 10/-		
No. of Securities being Transferred		Consideration Received (Rs.)	
In Figures	In Words	In Figures	In Words

Distinctive Number	From				
	To				
Corresponding Certificate No.					

Transferor's Particulars:		
Registered Folio Number		Attestation: I hereby attest the signature of the Transferor(s) herein mentioned.
Full Name of Seller	Seller's Signature	Signature:
1.		Full Name:
2.		
3.		
I, hereby confirm that the Transferor has signed before me.	Name and Address of Witness	Address:
Signature of Witness		Seal:

Transferee Particulars:	(1)	(2)	(3)
Full Name			
Father/Spouse Name			
Address			
Contact No.			
Email			
Occupation			
Existing Folio Number			
PAN			
Signature			

Folio No. of Transferee: _____

Specimen Signature of Transferee: _____

Value of Stamp affixed: Rs. _____

Enclosures:

- (1) Certificate of equity shares or debentures or other securities
- (2) If no certificate is issued, letter of allotment.
- (3) Copy of PAN CARD of all the Transferees (For all listed Cos).
- (4) Other, Specify.....

Stamps:

For Office use only:

Checked by _____ Signature tallied by _____

Entered in the Register of Transfer on _____ vide Transfer No. _____

Approval Date _____ Power of Attorney/Probate/Death Certificate/Letter of Administration registered on _____ at Number (No.) _____

ACKNOWLEDGEMENT

For Physical Shares

Received from Mr./Ms./Mrs./M/s. _____
I / We, holding Equity Shares in the physical form, accept the Offer and enclose duly filled signed and or stamped the original share certificate(s), transfer deed(s) and Form of Acceptance in "market" mode, duly acknowledged by me/us in respect of my shares as detailed below:

Sl. No.	Folio No.	Certificate No.	Distinctive No.		No. of Equity Shares
			From	To	
Total Number of Equity Shares					

For Demat Shares

Received from Mr. / Ms. / Mrs. / M/s. _____
I / We, holding Equity Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in "market" mode, duly acknowledged by my/our Depository Participant in respect of my shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

Stamp of Collection Centre	Signature of Official	Date of Receipt

Instructions:

- i. Please read the enclosed Draft Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.
- ii. The Form of Acceptance cum Acknowledgement should be filled-up in English only.

Note: All future correspondence, if any should be addressed to the Registrar to the Offer:

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

Unit: Amaze Entertech Limited – Open Offer

A/505, Dattani Plaza,
Andheri Kurla Road, Safeed Pool,
Andheri East, Mumbai -400 072
Maharashtra, India.

Telephone: +91 22 2851 1022

E-mail: pravin.cm@skylinerta.com

Contact Person: Pravin Golatkar